



TEXAS HEALTH AND HUMAN SERVICES COMMISSION

KYLE L. JANEK, MD
EXECUTIVE COMMISSIONER

January 16, 2015

To: Long Term Services and Supports Providers
(see program list below)

Subject: Information Letter No. 15-05
2014 Cost Report and Cost Report Preparer Requirements

Dear Providers:

This letter is being distributed through an electronic communication from DADS and contains information on 2014 cost reporting and preparer requirements for the following programs:

- Community Based Alternatives (Home and Community Support Services only) (CBA HCSS);
- Community Living Assistance and Support Services (CLASS) Case Management Agency (CMA);
- CLASS Direct Service Agency (DSA);
- Day Activity and Health Services (DAHS);
- Home and Community-based Services (HCS);
- Intermediate Care Facilities for Individuals with an Intellectual Disability or Related Conditions (ICF/ID);
- Primary Home Care (PHC);
- Texas Home Living (TxHmL);
- Residential Care (RC); and
- Service Coordination – Mental Retardation.

Each contracted provider is required to submit financial and statistical information through a Cost Report for each contract held with the Texas Department of Aging and Disability Services (DADS). It is the responsibility of each contracted provider to submit an accurate cost report, completed in accordance with all applicable instructions and rules, to ensure fair and equitable determination of reasonable payment rates.

There are no cost report materials included with this letter. All required documents can be found and downloaded from the Texas Health and Human Services (HHSC) Rate Analysis Department (RAD) website at the web address indicated in the **Rate Analysis Website** section below.

COST REPORT DUE DATE

Your 2014 cost report must be fully verified and submitted through STAIRS (see below) no later than **April 15, 2015**.

All supporting documents, including signed and notarized certification pages, must be uploaded into STAIRS. No documentation will be accepted through the mail or via email. Appendix A of the *Specific Instructions for the Completion of the Cost Report* explains how to access directions for uploading your documents, including a process for converting documents to an electronic format that can be used by a provider who does not yet own a scanner.

THE STATE OF TEXAS AUTOMATED INFORMATION REPORTING SYSTEM (STAIRS)

Providers must submit their 2014 Cost Reports through the web-based State of Texas Automated Information Reporting System (STAIRS).

Providers who submitted their 2013 Cost Report via STAIRS will use the same logon information to access their 2014 Cost Report. New providers without prior STAIRS access, will be sent an email containing STAIRS login information including their username and password. The email will be sent to the Primary Entity Contact designated by HHSC RAD based on enrollment information previously submitted to HHSC and/or DADS. New provider's Primary Entity Contact who has not received an e-mail with their login information by January 20, 2015, should contact RateAnalysisDept@hhsc.state.tx.us.

The Primary Entity Contact is responsible for assigning Financial and Preparer contacts in STAIRS. Assigning these contacts is necessary prior to beginning the cost report. Primary Entity Contacts are strongly encouraged to access the system as soon as possible and make these assignments to ensure there is adequate time available to become familiar with using the system.

Cost Reports for CBA HCSS, CLASS (CMA and DSA) and PHC contracts, referred to as the CPC Cost Report, is a combined report for the three programs. The CPC Cost Report will include the financial and statistical data for all these programs. Contracts for each legal entity will be grouped into a CPC Cost Report(s) depending on rate enhancement participation level (if applicable), cost reporting period and other factors. HHSC RAD will assign each group of contracts a Cost Reporting Group Number. The CPC Cost Reporting Group may include contracts from more than one program within the CPC Cost Report. This grouping information will be detailed for the legal entity in STAIRS.

PREPARER REQUIREMENTS FOR THE 2014 COST REPORT

In accordance with Title 1 of the Texas Administrative Code §355.102(d), it is the responsibility of each provider to ensure that each cost report preparer who signs the Cost Report Methodology Certification completes the required HHSC-sponsored cost report training.

Preparers must complete cost report training for every program for which a cost report is submitted. Such training is required every other year for the odd-year cost report in order for the preparer to be qualified to complete both that odd-year cost report and the following even-year cost report.

Information regarding the mandatory cost report training, training schedule, and training registration can be found on the HHSC RAD Website (see section below) for each program. Once you have selected your program, look for the section on *Training Information*.

A training information letter was distributed via Information Letter No. 14-83.2 through an electronic communication from DADS on December 18, 2014. This letter has also been posted on the HHSC RAD Website in the Training information section of each program.

RATE ANALYSIS WEBSITE

The HHSC RAD website contains program-specific cost report instructions, cost report training information and materials, payment rates, RAD staff contact information and web links for online training, on-site classroom training registration, and automated cost reporting. Additional information and features are added periodically. We encourage you to visit our website at:

<http://www.hhsc.state.tx.us/rad/index.shtml>

RESOURCES

If you need assistance related to the proper completion of the cost report, please contact the Rate Analyst for your specific program. You can locate your Rate Analyst's contact information at:

<http://www.hhsc.state.tx.us/rad/long-term-svcs/contacts.shtml>

If you have questions related to why you must submit a 2014 Cost Report, please call 512-707-6087.

Sincerely,

[signature on file]

Ray Wilson
Director, Cost Reporting
HHSC Rate Analysis Department