

Michigan Rehabilitation Services Vocational Rehabilitation Rate Study Cost Report Instructions

Rate Study Background

Michigan Rehabilitation Services (MRS) has contracted with Public Consulting Group, Inc. (PCG) to perform a rate study to identify the time, effort, and costs associated with providing Vocational Rehabilitation (VR) to recommend reimbursement rates for a variety of VR services.

PCG will use VR-specific expenses from the cost reports and additional level of effort information to propose rate recommendations to MRS that reflect the true costs associated with providing VR services. PCG will be available to support agency staff throughout this engagement. We encourage you to contact the help line and email account below for any questions related to the cost report and personnel roster. The help line and email account are both actively monitored during normal business hours (9 a.m. to 5 p.m. Eastern Time). If a PCG employee does not answer the help line, please leave a voicemail and we will return your call as soon as possible. PCG will respond to all calls and emails within one business day. The email account will also serve as the repository for all cost report submissions.

- **Toll Free Help Line: +1 (518) 768-7625**
- **Email Account: MIMRSRateStudy@pcgus.com**

Cost Report Instructions

Objective

- The purpose of the cost report tool is to capture revenue and expense information incurred by your agency **during the most recently completed vendor fiscal year.**

What should be reported?

- Please choose the **most recently completely fiscal year** for which you have financial statements and only include information pertaining to those 12 months in your report.

Formatting & Submission

- The survey tool is a Microsoft Excel workbook (.xlsx) and is compatible with Microsoft Excel 2003, 2007, 2010, 2013, and 2016.
- Please submit the completed cost report in **Microsoft Excel format** (not in PDF format), as well as all supporting documentation for the cost report via email to MIMRSRateStudy@pcgus.com on or before **Friday, December 13th at 5:00pm EST.**
 - If your agency requires additional time to complete the tools, please contact PCG via phone or email.

Contents

- The Cost Report is separated into five (5) sections.
 - ***Provider Information:*** Captures your agency's basic contact information
 - ***Revenue:*** Summarizes all revenue supported by VR services
 - ***Personnel:*** Captures the expense and service information of employees
 - ***Other Expenses:*** Summarizes all other expenses incurred by the waivers
 - ***Attestation:*** Provides assurance that an individual authorized by your agency has reviewed and approved of the contents of the cost report

Backup Documentation

MRS needs to validate the information submitted in this cost report using your agency's backup documentation.

- **Please submit all source documentation used to complete the cost report.**
- Examples include audited financial statements that tie directly to the cost report, general ledger extracts, reports from payroll and/or finance departments, and other program-specific reports or comparable documentation.
- *This information will be used for quality assurance and will be kept confidential at all times.*

How to Complete the Cost Report

Provider Information

Provider Information

Provider Name	<input type="text"/>
Provider IRS Tax Status	<input type="text"/>
Program Name (if different from Provider Name)	<input type="text"/>
Program Address	<input type="text"/>
City, State, Zip	<input type="text"/>
County	<input type="text"/>
Contact Name	<input type="text"/>
Contact Position	<input type="text"/>
Contact Email	<input type="text"/>
Contact Phone Number	<input type="text"/>
Contract Number	<input type="text"/>
License Number	<input type="text"/>

This section captures important agency information. It also provides PCG with a main contact person to communicate with throughout the engagement. Below is a listing of definitions for unique fields. Additional fields not listed below such as address should still be completed.

- **Provider Name**: Please enter the agency name you use for all correspondence with MRS.
- **Provider IRS Tax Status**: Use the dropdown to choose the appropriate tax status.
- **Program Name**: Please enter the agency name you use for all correspondence with MRS if different than the "Provider Name".
- **Program Address**: Please enter the VR program address, including city, state, zip and county name.
- **Contact Name**: The contact person can be employee authorized by the agency to answer questions about the cost report. In addition to contact person name, include contact position, e-mail, and phone number.
- **Contract Number**: Please enter the number for your VR services contract (if available) that corresponds to the Program Name or Provider Name listed above.
- **License Number**: Please enter the license number associated with the VR services you are providing under the Contract Number listed above, if applicable.

Revenue

Revenue

	Provider Total \$	Program Total \$	Notes/Comments
MRS Revenue			
Other State Agency Revenue			
Other Revenue			
Total Revenue			

This section captures all revenue received by your agency. The Provider Total \$ column captures *all* revenue received by your agency. The Program Total \$ column captures the portion of the total revenue that was received specifically to VR. Total Revenue automatically calculates the total of the fields above, so please do not enter anything here.

Tip: If MRS paid services are your only line of business, both columns will match.

Simplified Allocation Method

If Program Totals are not kept separate from overall Provider Totals, PCG allows for a variety of simplified allocation methods. This allocation will take a percentage of Provider Totals as program totals based on a single factor, applied consistently to all line items. Providers may choose to allocate revenues and expenditures based on their choice, but examples include: % of Revenue derived from MRS programs, % of clientele utilizing MRS funding, % of staffing working on dedicated programming, etc. Providers must be consistent in using one simplified allocation method throughout the cost report.

Multiple Allocation Base Method

Providers with detailed fiscal records, a multiple allocation method may be used. If indirect costs benefit an organization's functions to varying degrees, indirect costs must be accumulated into separate cost groups and allocated by a base which best measures the relative benefits to each function (i.e., FTE Supported, Salary supported, etc.)

- MRS Revenue: Please enter all revenue received from MRS.
- Other State Agency Revenue: Please enter all revenue received from other state agencies other than MRS.
- Other Revenue: Please enter other revenue not listed above. In the Notes/Comments box please list the name(s) of the other revenue source(s).
- Total Revenue: Please note that this will automatically calculate based on your inputs for the above categories.

Personnel

Personnel

	Provider Total FTEs	Program Total FTEs	Notes/Comments
Employee FTEs			
Employee FTEs Vacant			

	Provider Total Hours Per Employee	Program Total Hours Per Employee	Notes/Comments
Holiday Hours			
Vacation Hours			
Sick Hours			
Training Hours			
Total Paid Non-Working Hours			

	Provider Total \$	Program Total \$	Notes/Comments
Direct Service Salaries			
Administrative Salaries			
Personnel Taxes			
Workers' Compensation			
Healthcare			
Retirement			
Other Fringe Benefits			
Total Personnel Expenses			

This section captures all expenses related to personnel. In each subsection, the first column captures all personnel expenses incurred by your agency. The second column captures the portion of the total personnel expenses that were incurred specifically by the VR program. Total Paid Non-Working Hours and Total Personnel Expenses \$ automatically calculate the total of the above fields, so please do not enter anything here.

The first subsection captures the number of Full Time Employees (FTE) working at your agency that deliver services. Please use a consistent and acceptable allocation method to divide FTEs by program, if applicable.

The next subsection captures holiday hours, vacation hours, sick hours, and training hours. For this section, please calculate the **average hours per employee** at your organization (e.g. If your organization has 10 employees, five of which receive 80 vacation hours and five of which receive 100 vacation hours, you would enter 90 vacation hours).

The third section captures salaries (direct service and administrative), personnel taxes, and benefit expenses (Worker's Compensation, healthcare, retirement). For this section, please calculate the sum of each category across your organization.

- Holiday Hours: Please enter the average number of paid holiday hours allocated to personnel.
- Vacation Hours: Please enter the average number of paid vacation hours allocated to personnel.
- Sick Hours: Please enter the average number of paid sick hours allocated to personnel.
- Training Hours: Please enter the average number of paid training hours allocated to personnel.

- Total Paid Non-Working Hours: Please note that this will automatically calculate based on your inputs for the above categories.
- Direct Service Salaries: Please enter the total salaries paid to personnel associated with the direct service.
- Administrative Salaries: Please enter the total salaries paid to personnel not associated with the direct service.
- Personnel Taxes: Please enter the total taxes paid for all personnel at your agency.
- Workers' Compensation: Please enter the total amount of workers' compensation paid for all personnel.
- Healthcare: Please enter the total amount of healthcare benefits paid for all personnel.
- Retirement: Please enter the total amount of retirement benefits paid for all personnel.
- Other Fringe Benefits: Please enter the total amount of other benefits paid to all personnel that are not included in the above categories.
- Total Personnel Expenses: Please note that this will automatically calculate based on your inputs for the above categories.

Other Expenses

Other Expenses			
	Provider Total \$	Program Total \$	Notes/Comments
Mileage			
Occupancy/Facility			
Supplies			
Equipment			
Liability Insurance			
Subcontractor			
Training			
Transportation			
Travel			
Depreciation			
Other Operating Expenses			
Indirect (from Parent Organization)			
Total Other Expenses			
Total Expenses			

This section captures all other expenses incurred by your agency. The first column captures the total other expenses incurred by your agency. The second column captures the portion of the other expenses that were incurred specifically by your VR program. *Total Other Expenses* and **Total Expenses** automatically calculate the total of the above fields, so please do not enter anything here.

- Mileage: Please enter the cost of travel related to mileage reimbursement incurred. This amount should be for mileage reimbursement only and not vehicle purchases, maintenance, or depreciation.
- Occupancy/Facility: Please enter costs related to the physical facility where your agency operates. This could include rent, property tax, mortgage payments, maintenance, utilities, internet service, etc.

- Supplies: Please enter costs related to supplies, including office supplies or other resource materials that your agency incurred.
- Equipment: Please enter costs related to equipment that your agency incurred. This could include computers, mobile devices, printers, desks, chairs, etc.
- Liability Insurance: Please enter costs related to liability insurance.
- Subcontractor: Please enter the total cost related to the hiring of subcontractors.
- Training: Please enter costs related to training. This could include the cost of running internal training and the cost of hiring outside contractors for training purposes.
- Transportation: Total amount spent for providing transportation services.
- Travel: This amount should be for employee travel reimbursement associated with events attended (airfare, train fare, bus fare, hotels, per diems, etc.).
- Depreciation: Please enter costs associated with depreciation.
- Other Operating Expenses: Please enter any other costs that were incurred that are not included in the above categories. Please fill out the Notes/Comments section with information on these expenses.
- Indirect (from Parent Organization): Please enter any additional indirect costs that are charged to the programs providing VR services by your parent or umbrella agency. This may include shared costs, such as legal services, human resource activities, accounting services, etc.
- Total Other Expenses: Please note that this will automatically calculate based on your inputs for the above categories.
- Total Expenses: Please note that this will automatically calculate based on your inputs for the above categories.

Attestation

This section provides PCG and MRS with a level of assurance that an individual authorized by your agency has reviewed and approved of the contents of the cost report. Please fill out this section completely.

Attestation

By entering my name, staff title and electronically signing my name below, I attest that the information contained in this worksheet and any of its accompanying financial statements/files are both accurate and complete to the best of my knowledge, and I am authorized to attest and submit this information on behalf of my provider agency.

Authorized Attestation Name	
Attestation Staff Title	
Electronic Signature	
Date of Attestation	

Returning the Cost Report to PCG

- Please ensure that the cost report is filled out completely and signed.
- Please submit the completed cost report and personnel roster in **Microsoft Excel format** (not in PDF format), as well as all supporting documentation for the cost report via email to MIMRSRateStudy@pcgus.com on or before Friday, December 13th at 5:00pm EST.

- If your agency requires additional time to complete the tools, please contact PCG via phone or email.