

Annual Cost Report Handbook - Child Placing Agencies

Revisions for Reporting 9-30-20

The following list identifies the changes in the Child Placing Agency (CPA) Handbook for State of Michigan fiscal year 2020 reporting.

PART 2: FISCAL FACTORS (page 6)

Starting in FY20, MDHHS provides payment to CPA and seeks the County's share through the Chargeback process. However, revenues, costs, or statistics related to County contracts cannot be reported in the FY20 Cost Report. Every item in the cost report must be attributable to State contracts only.

PART 4: EXPLANATION OF COMMON TERMS

1. Days of Care: (page 10)

We removed Available Days of Care from the FY20 CPA Cost Report workbook. Providers are no longer required to report Available Days of Care.

2. Full Time Equivalent (FTE): (page 10)

Starting in FY20, providers are required to insert Number of Hours Contributed for each position, instead of FTEs, in Table 3.3. The FY20 CPA Cost Report workbook automatically calculates FTEs using the Numbers of Hours Contributed and salary costs entered by providers. We also added Average Annual Salary for providers to review the accuracy of their input.

PART 5: COMPLETING THE ANNUAL COST REPORT WORKBOOK

Revenues: (page 14)

Starting in FY20, providers are required to report Contract Per-Diem Rate and respective Days of Care obtained from MiSACWIS records, to reinforce the accuracy of Per-Diem Revenues as well as Actual Days of Care. Per-Diem Rates are pre-typed in a drop-down list. Providers must select the rate specified in the State contract.

Section 1: Salaries and Fringe Benefits

Salaries: (page 16)

As mentioned in Full Time Equivalent (FTE), providers must report both Salary Cost and Hours Contributed to the State contract.

Section 2: Operating Direct and Indirect/Administrative

1. Birthday Gifts for Clients: (page 20)

The FY20 CPA Cost Report workbook tests whether Birthday Gift Cost exceeds a multiplication of \$25 and its respective Number of Children Served reported in Tab-Statistics.

2. Contracted Business Services: (page 23)

We updated Non-Reportable Cost for: Contracted services performed or provided by subsidiaries or parent companies, to clarify that Contracted Business Services performed by related companies are not qualified as 'Contracted' service and thus not chargeable.

3. Dues – Family Focused Treatment Association (FFTA): (page 24)

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We updated Non-Reportable Cost for: Any membership fee that is not an agency-level FFTA membership for TFC contract, to clarify allowable membership fees.

Section 4: Miscellaneous

1. Miscellaneous: (page 34)

We added a table next to the Miscellaneous section in Direct and Indirect tabs. The table comprises of MDHHS Approved and Reclassified/Removed columns, which can be completed only by MDHHS officials.

All miscellaneous costs require MDHHS's approval. Providers reporting miscellaneous costs must submit supporting documents, explanations, or descriptions of the costs when submitting the cost report.

2. Miscellaneous – Federally Approved Indirect Rate: (pages 34 and 35)

Starting in FY20, providers with Federally Approved Indirect Rate may elect to apply the rate, instead of reporting each indirect cost item, upon the submission of supporting documents issued by the Federal Government and MDHHS's approval.