



## TEXAS HEALTH AND HUMAN SERVICES COMMISSION

CHARLES SMITH  
EXECUTIVE COMMISSIONER

February 1, 2017

To: Providers of Services Listed Below

Subject: Information Letter Number: 17-03 — 2016 Cost Report and Cost Report Preparer Requirements

Dear Providers:

This letter contains information on mandatory 2016 cost reporting and cost report preparer requirements for the following programs:

- 24-Hour Residential Child Care (24RCC)
- Community Living Assistance and Support Services - Case Management Agency (CLASS-CMA)
- Community Living Assistance and Support Services - Direct Service Agency (CLASS-DSA)
- Day Activity and Health Services (DAHS)
- Deaf Blind Multiple Disabilities Waiver (DBMD)
- Early Childhood Intervention (ECI) – Case Management
- Early Childhood Intervention (ECI) – Specialized Rehabilitative Services
- Home and Community-based Services/Texas Home Living (HCS/TxHmL)
- Intermediate Care Facilities for Individuals with an Intellectual Disability or Related Conditions (ICF/IID)
- Nursing Facility (NF)
- Primary Home Care (PHC)
- Rehabilitation Services – Mental Health
- Residential Care (RC)
- Service Coordination – ICF/IID
- Targeted Case Management (TCM) – Mental Health
- STAR+PLUS services affiliated with the above service types

Each provider of the above services is required to submit financial and statistical information through a Cost Report for each contract held with the State of Texas and/or STAR+PLUS contract held with a Managed Care Organization. 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**

The 2016 cost report must be fully verified and submitted through STAIRS (see below) no later than **April 30, 2017**.

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 have access to a scanner.

### **THE STATE OF TEXAS AUTOMATED INFORMATION REPORTING SYSTEM (STAIRS)**

Providers must submit their 2016 Cost Reports through the web-based State of Texas Automated Information Reporting System (STAIRS).

Providers who submitted their 2015 Cost Report via STAIRS will use the same logon information to access their 2016 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 contact information previously submitted. A new provider who has not received an e-mail with their login information by February 6, 2017, should contact [CostInformation@hhsc.state.tx.us](mailto:CostInformation@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.

Contracts for each legal entity will be grouped in STAIRS depending on factors such as ownership, rate enhancement participation level (if applicable), and cost reporting period. The groups assigned by HHSC RAD may include contracts from more than one program. This grouping information is detailed in STAIRS.

## **PREPARER REQUIREMENTS FOR THE 2015 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 a cost report training webinar for each program for which a cost report is submitted. Cost report training is mandatory 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. Preparers who completed cost report training for the 2015 cost report will not be required to complete additional cost report training to prepare a 2016 cost report.

Information regarding the mandatory cost report training, training webinar 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. 17-01 through an electronic communication from DADS on January 2, 2017. This letter has also been posted on the HHSC RAD Website in the Training information section of each program.

## **RATE ANALYSIS DEPARTMENT WEBSITE**

The [HHSC RAD website](#) contains program-specific cost report instructions, cost report materials, automated cost reporting information, training webinar schedules, training registration, payment rates, and RAD staff contact information. Additional information and features are added periodically. We encourage you to visit our HHSC RAD website.

## **RESOURCES**

For assistance related to the proper completion of the cost report:

[Contact information for all cost reports other than MEI\\*](#)

[Contact information for the MEI\\* cost report](#)

\*MEI consists of Early Childhood Intervention (ECI) – Case Management, ECI – Specialized Rehabilitative Services, Rehabilitation Services – Mental Health, Service Coordination – ICF/IID, and TCM – Mental Health

For questions regarding why you must submit a 2016 Cost Report:

[Contact the Rate Analysis Help Line](#) or call 512-490-3193.

Sincerely,

*[signature on file]*

Ray Wilson  
Director, Cost Reporting  
HHSC Rate Analysis Department