

## **FISCAL YEAR 2009-2010 COST REPORT TRAINING NARRATIVE**

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### **SLIDE 1 - Welcome**

Good Morning. On behalf of the Department of Mental Health and the Local Program Financial Support staff, I want to welcome you to the FY 2009-2010 cost report training. I am Kimberly Wimberly, your narrator.

### **SLIDE 2 - Housekeeping**

Before we get started, I want to go over a few housekeeping items with you:

- As the host, we will be putting all attendee phones on mute
- We have disengaged the chat box function to remove any distractions
- If you have a question during the presentation, please send an e-mail to [cfrs\\_help@dmh.ca.gov](mailto:cfrs_help@dmh.ca.gov). DMH staff will research and prepare a response to all questions received. The questions and responses will be posted to the Local Program Financial Support webpage.

We hope you find the presentation and materials helpful and we thank you for participating. Now let's get started.

### **SLIDE 3 – Agenda**

Our goal for this training is to provide county staff with the information they'll need to complete the Fiscal Year 2009-10 cost report. Our presentation is divided into seven sections. The first section provides an overview of the cost report and summarizes the updates that have been made to the cost report. Section two provides a brief overview of how to enroll in Information Technology Web Service (ITWS) if you are not currently enrolled. The third section provides instructions on how counties download the cost report template from the Department's ITWS. The fourth section describes the forms that need to be completed in the detailed cost report and includes instructions on how to complete each form. Each legal entity must complete a detailed cost report. The fifth section describes the forms that need to be completed in the summary cost report. The county legal entity must complete the summary cost report. The sixth section describes the ITWS submission process such as logging into ITWS, creating the submission and zip file, naming and uploading the cost report in ITWS. The final section of our presentation discusses the edits and errors on the automated edit report and its role in ensuring that the cost report is accurate.

### **SLIDE 4 - Overview and Updates**

This section of the presentation includes an overview of the cost report including updates that have been made to the FY 2009-10 cost report template. I will review the statutory authority by which the Department requires counties to submit cost reports, describe the objectives to be met with the cost report, summarize the data elements captured in the cost report, and describe the updates that have been made to the FY 2009-10 cost report template.

### **SLIDE 5 – Authority**

The Welfare and Institutions Code contains two sections that discuss the cost report. Section 5651 describes the elements that must be included in the performance contract between each county and the Department of Mental Health. One of those elements of the performance contract is that the county shall submit cost reports in the form and manner determined by the Department of Mental Health. Section 5718(c) requires counties to submit a cost report to the Department by December 31<sup>st</sup> following the close of the state fiscal year.

### **SLIDE 6 – Cost Report Objectives**

The cost report is intended to address the following objectives:

- Compute the cost per unit for each service function
- Apportion costs to Medi-Cal and non-Medi-Cal units of service.
- Determine the net Medi-Cal reimbursement for units of service provided by each legal entity. The Medi-Cal reimbursement is the Federal Financial Participation, also popularly abbreviated as the FFP.
- Identify the sources of funding expended to draw down FFP
- Serve as the source for county mental health fiscal year-end cost information, and
- Serve as the basis for the local mental health agency's year-end cost settlement and subsequent SD/Medi-Cal fiscal audits.

### **SLIDE 7 – Cost Report Data Requirements**

To complete the Detail and Summary cost reports for the county legal entity, you will need to have the total county costs, which are the Administrative Costs, Quality Assurance and Utilization Review Costs, Research and Evaluation Costs, and the Direct Service Costs.

To complete a cost report for a non-county Legal Entity, you will need to have Direct Services Costs.

### **SLIDE 8 – Modes of Service and Service Functions**

Direct Service Costs are captured by Mode of Service and Service Function.

- Mode 05, Service Function Codes 10-19, is for Hospital Inpatient Services
- Mode 05, using other Service Function Codes, is for Other 24 Hr. Services
- Mode 10 is for Day Services
- Mode 15 is for Outpatient Services for Programs 1 & 2
- Mode 45 is for Outreach Services
- Mode 55 is for Medi-Cal Administrative Activities, referred to as MAA, and
- Mode 60 is for Support Services

### **SLIDE 9 – Method of Allocation**

Costs may be allocated to modes and service functions using different methods. You will need to know the method of allocation that will be used. The methods include:

- Rate for Allocation
- Schedule of Maximum Allowance, also referred to as SMA
- Published Charges, or
- Directly Allocated
- We will discuss each of these methods later in our training.

### **SLIDE 10 – Funding Sources**

The cost report captures information about the sources of funding used to support administration, utilization review, and direct services at the mode level. These funding sources include, but are not limited to: MHSA, Mental Health Block Grant formerly known as SAMHSA, PATH, the State General Fund, EPSDT, AB 3632, and Realignment. You will need to know the funding sources used to pay the costs reported for administration, utilization review, and each mode of service.

### **SLIDE 11 – Cost Report Updates FY 2009-10**

The Department has made changes to the MH 1900\_Info, MH 1901 Schedule A, MH 1901 Schedule B, MH1901 Schedule B Supplemental, MH 1901 Schedule C, MH 1966 for Medi-Cal reimbursable modes of service, MH 1968 and the MH 1979 on the detailed cost report.

### **SLIDE 12 – MH 1900 Info**

The Fiscal Year 2009-10 cost report template includes additional rows on the MH 1900 Info, for county legal entities to report contract provider reimbursement of services provided to beneficiaries eligible through the Medicaid Children's Health Insurance Program. The Department is required to separately report costs incurred for administration of the Medicaid Children's Health Insurance Program. The information provided on the MH 1900 Info flows to the MH 1979 and is used to calculate the fifteen percent limit on reimbursement of Medi-Cal administrative costs.

### **SLIDE 13 – MH 1901 Schedule A**

In FY 2008-09, the detailed cost report template included a Schedule A\_1 and Schedule A\_2. The Fiscal Year 2009-10 cost report template has only one Schedule A. In previous years, the Schedule A allowed legal entities to report a State-approved negotiated rate. This rate was used to determine the lower of cost, charges or Schedule of Maximum Allowances (SMA). The Department no longer approves negotiated rates and no longer considers a State-approved negotiated rate in determining the lower of cost, charges or SMA. The MH 1901 Schedule A no longer contains a column for legal entities to report a State-approved negotiated rate.

### **SLIDE 14 – MH 1901 Schedule B**

In FY 2008-09, the detailed cost report template included a Schedule B\_1, Schedule B\_2, and Schedule B\_3 to allow legal entities to report units of service and third party revenue in three different periods. The Fiscal Year 2009-10 cost report template contains one Schedule B. Three columns have been added to the Schedule B to allow legal entities to report units of service and third party revenue for a new settlement group: Breast and Cervical Cancer Treatment and Prevention (BCCTP). Services provided to individuals in this settlement group are reimbursed at an enhanced rate of 65%.

### **SLIDE 15 – MH 1901 SCHEDULE B - SUPPLEMENTAL**

Individuals who are eligible for Medi-Cal under certain aid codes may receive emergency or pregnancy related services. Emergency services are reimbursed at the regular Federal Medical Assistance Percentage (FMAP) and pregnancy related services are reimbursed at the enhanced FMAP, which is sixty-five percent. Mental health plans submitting claims through the Short-Doyle Medi-Cal Phase II claiming system are able to check a pregnancy related indicator to receive enhanced reimbursement. These pregnancy-related

units of service should be reported on the MH 1901 Schedule B under the BCCTP settlement group, which is reimbursed at sixty-five percent.

The Department has included a supplemental Schedule B for legal entities to report the units of service that are pregnancy-related. This data will not be used in the cost settlement process. The Department needs to know this information so that it is able to accurately report expenditures by settlement group.

**SLIDE 16 – MH 1901 Schedule C**

In FY 2008-09, the Schedule C separated each service function into three periods and required legal entities to allocate costs to each service function in the three periods. The Schedule C in the Fiscal Year 2009-10 cost report reflects a single period of service: July 1, 2009 through June 30, 2010.

**SLIDE 17 – MH 1960**

IN FY 2008-09, the MH 1960 allowed county legal entities to report costs for administering the Short-Doyle Medi-Cal program, Healthy Families program, and Non Short-Doyle Medi-Cal programs. The Fiscal Year 2009-10 cost report template requires county legal entities to separately report the costs for administering the Medicaid Children's Health Insurance Program.

**SLIDE 18 – MH 1966**

The MH 1966 for all Medi-Cal reimbursable modes of service have been modified to accommodate the changes made to the MH 1901 Schedule A and MH 1901 Schedule B. The MH 1966 no longer contains a row to pick up a State-approved negotiated rate for each applicable service function. The MH 1966 no longer contains rows to calculate the State-approved negotiated rate amount for each settlement group. The MH 1966 includes rows to capture units of service and to calculate cost information for the BCCTP settlement group added to the MH 1901 Schedule B.

**SLIDE 19 – MH 1968**

The MH 1968 has been modified to accommodate changes made to the MH 1901 Schedule A and MH 1901 Schedule B. The MH 1968 no longer contains rows to pick up the negotiated rate amount for each settlement group and no longer considers the negotiated rate amount in selecting the lower of cost, charges, or SMA. The form has also been modified to eliminate the amount the negotiated rate exceeds cost. Finally, the MH 1968 includes rows to capture cost information for the BCCTP settlement group added to the Schedule B.

**SLIDE 20 – MH 1979**

The MH 1979 has been modified to accommodate changes made to the MH 1960 and the MH 1968. The Welfare and Institutions Code limits reimbursement of Medi-Cal administrative costs to fifteen percent of direct service costs. This form also includes additional rows to determine the limit for reimbursement of Medicaid Children's Health Insurance Program administrative costs and no longer calculates the negotiated rate incentive payment.

### **SLIDE 21 – Submission Due Date and MH 1940 Certification**

And lastly, the due date for electronic submission of the cost report is DECEMBER 31, 2010. The cost report submission involves both electronic and hard copies. A hard copy of the county's detail and summary cost report, along with a completed MH 1940 Certification must be mailed within 10 days of the electronic submission date to validate the electronic submission.

In addition to the signatures required on the Certification, the bottom of the form must be completed. The information entered on the Certification must include the Date Uploaded, the Upload ID and the Upload File Name from the upload that is being certified. The upload date is the date that will be used by the Department of Mental Health to determine compliance with the statutory requirement to submit by December 31, 2010.

This concludes the changes that were made on the FY 2009-2010 template. We will now move on to the Information Technology Web Service Enrollment process.

### **Slide 22 - ITWS Enrollment**

Before accessing the cost report templates, new users need to enroll in the Department of Mental Health Information Technology Web Service. The ITWS is used to upload and download cost reports, download training materials and templates, and view and download provider reports. In this section of the training, I will briefly review the enrollment process, the systems to which you will need access, the specific functions available in those systems, how to change your password and/or user profile, and how to access support from the Department. The presentation includes detailed screen-by-screen instructions on all areas that will be reviewed.

### **Slide 23 - DMH Website**

You may access the Department's ITWS from the Department's web page at [www.dmh.ca.gov](http://www.dmh.ca.gov). From the Department's web page, click on the Providers & Partners menu and select ITWS. This will load the ITWS web page.

### **Slide 24 - ITWS Webpage**

This slide includes a view of the ITWS web page. There are six menus at the top of the page. The menus include Home, Systems, Information, Enroll, Support, and Login.

### **Slide 25 - Enroll into ITWS Screen**

To begin the enrollment process, click on the enroll menu at the top of the page and select Enroll in ITWS or click on the Enroll button on the right side of the page. I will not go through the entire enrollment process. For more detailed information, please access the training packet located on the Local Program Financial Support webpage. The training packet includes step-by-step instructions. I will show you later in this presentation where you may download the training material.

### **Slide 26 - ITWS Approval Notification**

Once you have completed the enrollment process, you will receive an email indicating that the enrollment request was received and is pending approval. You will soon receive another email stating your request has been approved.

### **Slide 27 - ITWS Home Page**

After you have received your enrollment approval email, you will need to request approval for additional systems. The additional systems include Cost and Financial Reporting, Short-Doyle Medi-Cal Claims – EOB, and Provider/Legal Entity.

To request additional systems, you will need to login to ITWS. To log in ITWS, enter your user name and password in the appropriate fields on the right side of the ITWS home page. After entering your user name and password, click on the Login button.

### **Slide 28 - Requesting Additional Memberships**

Once you have logged into the ITWS, click on the Utilities menu and select Request Additional memberships. Again, you want to request membership in the Cost and Financial Reporting, Short-Doyle Medi-Cal Claims – EOB, and the Provider/Legal Entity systems.

### **Slide 29 - ITWS Approval Notification**

Once you have completed and submitted the request, you will receive an email from the department acknowledging receipt of your application. You will also receive instructions on how to complete the membership process. Once completed and approved you can access the systems.

### **Slide 30 - Cost and Financial Reporting System**

Before accessing any of the systems, you must log into the ITWS. To access the Cost and Financial Reporting System, click on the Systems menu at the top of the page and select Cost and Financial Reporting. In the following slides, I will review the information and tools available to you in the Cost and Financial Reporting System.

### **Slide 31 - CFRS Information**

The Cost and Financial Reporting System provides you access to all CFRS training materials and cost reporting templates. To access this information, click on the CFRS Information menu at the top of the page and select the type of information that you desire, such as templates.

### **Slide 32 - Functions**

The Cost and Financial Reporting System also provides you with the ability to upload and download cost reports to the ITWS. To upload and download cost reports, click on the Functions menu at the top of the page and select Transfer Files (Upload and Download). I will describe the upload process in more detail later in this presentation.

### **Slide 33 - Utilities**

The Utilities menu allows you to request additional memberships, change your password, and update your e-mail address in your profile.

### **Slide 34 - Support**

The Support menu allows you to access IT support.

### **Slide 35 - Provider/Legal Entity**

The other system to which you need to request membership is the provider/legal entity system. To access the provider legal entity system, click on the Systems menu and select provider/legal entity.

### **Slide 36 – Online Provider System**

Next Click the Functions Tab. Under this tab you will see the option for Online Provider System. The provider legal entity system provides you access to information about providers enrolled with the Department. To access the provider file from the provider/legal entity system, click on the Functions menu and select on line provider system. This will open a new web page from which you may access information about providers enrolled with the Department of Mental Health.

This concludes the ITWS enrollment process. The next section will discuss how to download cost reports from ITWS.

### **Slide 37 - Downloading the Cost Report Templates for Fiscal year 2009-10**

Downloading the cost report templates involves three primary steps. After logging into the ITWS, you may download the Fiscal Year 2009-10 cost report templates by following these three steps. First click on the systems menu and select cost and financial reporting. Next, click on the information menu and select templates. The Fiscal Year templates are currently posted here for you to download. The next step is right click on the hypertext for the desired cost report template and select save as target. The final step is to rename the file and save it in a folder on your personal computer. The following slides display screen shots for each of these steps.

### **Slide 38 - Systems Menu**

This slide displays how to select the “Cost and Financial Reporting System” on the ITWS. Again, click on the “Systems” menu and select “Cost and Financial Reporting”.

### **Slide 39 - CFRS Information**

After selecting the “Cost and Financial Reporting System”, you’ll notice that the information menu has changed to “CFRS Information”. Again, click on the “CFRS Information” menu and select “Templates”.

### **Slide 40 - CFRS – Templates**

After clicking on the CFRS Information menu and selecting templates, the CFRS – Templates screen should appear. To download a particular cost report template, right click on the hypertext and select “Save Target As.” Save the template to a folder on your personal computer.

I’ve completed going over how to download the cost report templates from ITWS. The next section will discuss how to complete different forms on the detail cost report.

### **Slide 41 - FY 2009-10 Detail Cost Report**

This section of our presentation addresses the detail cost report. All legal entities must complete the detail cost report. I will describe how to complete each of the forms contained in the detail cost report.

### **Slide 42 - FY 2009-2010 Medi-Cal Detail Cost & Financial Report Flow Chart**

The flow chart displays the forms that need to be completed. The forms and schedules are organized to make it possible for you to move from one form or schedule to another just by a click of the button.

### **Slide 43 - Information Worksheet MH-1900**

The Information Worksheet is the starting point for completing the automated Mental Health Medi-Cal Cost Report.

The Information Worksheet consists of two parts, Sections I & II

Each Legal entity is required to complete the following blue color coded information in Section I:

1. name of preparer & date
2. legal entity name & legal entity number
3. county name & county two digit code

Click on the drop down option box and respond to the following questions:

1. Is this a County legal entity cost report?
2. Is the legal entity reporting Medi-Cal units?

County legal entities are required to complete section II. Enter the address and phone number of the county legal entity. Provide the appropriate response about county population in the drop down option box.

1. If over 125,000, select “Yes”,
2. If less than 125,000 select, “No”.

County legal entities are required to report the aggregate Contract Providers Medi-Cal Gross reimbursement for both inpatient and outpatient services provided to Short-Doyle Medi-Cal beneficiaries and Healthy Families beneficiaries. Medi-Cal Gross reimbursement for direct services is divided into Medicaid Children’s Health Insurance Program and Other Medi-Cal.

Contract provider gross reimbursement for other Medi-Cal inpatient and outpatient direct services equal:

- The sum of lines 9, 9A, 17, 17A, and 21 on Columns E (inpatient) and K (outpatient) of the MH 1968.

Contract Provider gross reimbursement for Medicaid Children’s Health Insurance Program inpatient and outpatient direct services equal:

- The sum of lines 13 and 13A on Columns E (inpatient) and K (outpatient) of the MH 1968.

Contract provider gross reimbursement for Healthy Families Program inpatient and outpatient direct services equal:

- The sum of lines 27 and 27A on Columns E (inpatient) and K (outpatient) of the MH 1968.

Refer to the Cost Reporting Manual to guide you through these calculations.

**Note:** the information entered in these cells flows to the MH 1979 and is used to determine the limit on reimbursement of administrative costs for Short-Doyle Medi-Cal, Medicaid Children’s Health Insurance Program, and Healthy Families Program.

County legal entities are also required to enter the provider numbers for “Fee-For-Service” mental health specialty individual and group providers. Next, click on Schedule A to navigate to that schedule.

**Slide 44 - MH 1901 Schedule A**

Schedule A is arranged in Rows and Columns to allow for the association of modes and service functions to legal entity’s reported published charges. The Schedule of Maximum Allowance (SMA) for fiscal year 2009-2010 has been entered by the department, and should remain unchanged by all.

To complete this schedule, enter your legal entity’s published charges in Column D under the appropriate modes and service functions. Note that mode of service and service function related to services provided to a Medi-Cal client must be associated with a published charge in order to correctly compute the gross reimbursement amount in the MH 1968.

If a legal entity reported Medi-Cal Administrative Activities (MAA) units, mode 55 in the MH 1901\_Schedule B, complete the Medi-Cal Eligibility Factor by quarter on lines 31-34, Column D of the schedule.

Legal entities may report in Column E, the rate it negotiated with the county for non-Medi-Cal units of service. Rates reported in Column E will flow to Column F, Rate for Allocation.

Please note that state approved negotiated rates have been discontinued effective January 2009, and no provision is made for the FY 2009-2010 cost report. The next schedule MH 1901 Schedule B is used to capture units of service and third party revenue.

**Slide 45 - MH 1901 Schedule B**

MH 1901 Schedule B combines a complex set of rules to determine how program gross reimbursement is computed in other forms of the cost report template, and the subsequent computation of net federal share in the MH 1979.

The settlement type is an important variable because it is used by the cost report template to determine the gross reimbursement on MH 1968. There are seven categories of settlement types from which to choose. Please refer to the cost report manual for more information about settlement types.

To complete this schedule, enter your legal entity’s unit of service/time and third party revenues in the appropriate columns associated with mode of service, service function and settlement type. Refer to the cost report manual to guide you through entering data on this form.

Note if Column X shows a negative balance you have over distributed your total units to the different settlement groups. Please review and verify the source of your reported data.

**Slide 46 - MH 1901 Schedule B Supplemental**

The MH 1901\_Schedule\_B\_Supplemental is an informational worksheet that is not used in the cost settlement process. The department determines gross reimbursement by settlement group. One of those settlement groups is the BCCTP. Legal entities that provided units of service which were billed or would have been billed to SD/MC phase II with a pregnancy related code should report those units of service in Columns P or Q of the Schedule B. Those units should also be reported on the appropriate line of the Schedule B Supplemental. This will assist the Department of Mental Health with accurately reporting costs for the BCCTP settlement group and the regular Short-Doyle Medi-Cal settlement group.

**Slide 47 - MH-1991, Calculation Of SD/MC (Hospital Administrative Days)**

If the legal entity enters units of service for Mode 05, Service Function 19, Hospital Administrative Days, the cost report will prompt the user to complete the MH 1991. The MH 1991 identifies the amount of Physician & Ancillary costs associated with the hospital administrative days reported on the Schedule B. These costs are added to the Schedule of Maximum Allowances rate reported on the Schedule A for hospital administrative days.

To complete the MH 1991, please enter the hospital's provider number in Column B next to the appropriate settlement type. In Column E, report the total hospital administrative days by period and settlement type. The automated edit process will verify that the Short-Doyle Medi-Cal units of service reported on the MH 1991 match the units of service reported on the Schedule B. Column F multiplies the Schedule of Maximum Allowances for hospital administrative days by the units of service provided in the appropriate period. Please enter physician costs in Column G and ancillary costs in Column H for the units of service reported in Column E. Column I adds the costs reported in Columns F, G and H. The cost calculated in Column I is used in the MH 1966 to determine the SMA costs for the units of service provided.

If the legal entity did not provide hospital administrative days, the MH 1991 does not need to be completed.

**Slide 48 - MH-1961, Medi-Cal Adjustments to Costs**

The next form in the flow chart is the MH 1961. The purpose of the MH 1961 is to calculate adjustments to costs for Medi-Cal and Medicare principles of reimbursement. For example, Medicare principles of reimbursement require providers to depreciate the cost of a capital asset over the course of its useful life. Providers may not request reimbursement for the full cost of a capital asset in the year of purchase. Providers that record the full cost of a capital asset as an expenditure in the year of purchase may need to enter an adjustment on the MH 1961.

Please enter adjustments that decrease total costs as a negative number and adjustments that increase total costs as a positive number. The adjustments entered on the MH 1961 populate line 6 on the MH 1960.

**Slide 49 - MH-1962, Other Adjustments**

The MH 1962 is the next form on the flow chart. The purpose of the MH 1962 is to provide detailed information of other adjustments. Please enter any other adjustments to costs that were not entered on the MH 1961. For example, a county mental health division that is part of a behavioral health department may need to deduct the costs of the substance abuse division if the amount reported on the MH 1960, Line 1 includes the costs of that division. Please enter adjustments that reduce total costs as a negative number and adjustments that increase total costs as a positive number. The adjustments entered on this form automatically populate line 4 on the MH 1960.

**Slide 50 - MH-1963, Payments To Contract Providers**

If the legal entity for which the cost report is being prepared is the county mental health plan, it must complete the MH 1963. The purpose of the MH 1963 is to identify payments made to contract providers in the cost reporting fiscal year. Payments to contract providers should be reported in the year in which services were provided. This does not include payments to hospitals operated by other county departments. Payments for Fee-for-Service vendor contracts should not be included on this line.

The “Amounts Paid” in Column D should match the legal entities cost report. The total amount calculated in Column D automatically populates line 3 of the MH 1960.

The Fiscal Year 2009-10 cost report includes an additional column to allow mental health plans to report payments made to contract providers for Medi-Cal units of service as well. The CMS has recommended that the Department begin calculating an upper payment limit beginning with the 2009-10 Fiscal Year. The Department needs this information to calculate this upper payment limit.

**Slide 51 - MH-1960, Calculation of Program Costs**

The purpose of the MH-1960 is to adjust legal entity costs for Medi-Cal principles of reimbursement, identify the adjusted costs applicable to Administration, Utilization Review, Research & Evaluation, Medi-Cal Administrative Activities (MAA), and direct service cost centers.

On line 1, county legal entities should report total gross expenditures for the county mental health department or division from the summary page of the county auditor controller’s report. Contract provider legal entities should report total gross expenditures from its trial balance. The amount reported on line 1, Column C for Mental Health expenditures should match the legal entities financial statement or the legal entity should maintain work papers that reconcile the amounts reported on line 1 with its financial records.

Legal entities should report on line 2 any adjustments to gross expenditures due to encumbrances.

Lines 3, 4, 5, and 6 are automatically populated from the MH 1963, 1962, and 1961 respectively.

County legal entities are required to enter on line 7, the managed care allocation from line 8 of the MH 1994 if not included in the expenditures reported on line 1.

Line 8 calculates the allowable costs for allocation.

County legal entities may allocate the costs from line 8 among administrative cost centers, utilization review cost centers, research and evaluation cost center, or direct service and MAA cost centers. Non-county legal entities may allocate the costs from line 8 to direct service and MAA cost centers only.

Line 20 calculates the total costs allocated in lines 9 – 19. Total costs calculated on line 20 must equal the allowable costs for allocation calculated in line 8. If the two do not match, the form will display an error.

### **Slide 52 - MH-1901 Schedule C - Allocation to Allocate Total Cost to Mode of Service & Service Function**

The purpose of the Schedule C is to allocate the Direct Service and MAA costs reported on line 18 of the MH 1960 to individual service functions. The first step in completing the schedule C is to select the basis for allocating costs. Legal entities may select directly allocated, SMA rate, published charge, or rate for allocation. The method selected must be consistent from year to year. Any change in the allocation method requires approval from the Department of Mental Health.

If the legal entity chooses directly allocated, it must enter cost data into Column E, eligible direct cost, or Column F, directly allocated data. If the settlement type is CR and the mode and service function is Medi-Cal Reimbursable, the cost data must be entered into Column F, directly allocated data. If the settlement type is CR and the mode and service function is not Medi-Cal reimbursable, the cost data may be entered into Column E, eligible direct cost, or Column F, directly allocated data. If the settlement type is TBS, ASO, MHS, ISA, or CAW, the cost data must be entered in Column E, eligible direct cost. If the settlement type is MAA, the cost data must be entered into Column F, directly allocated data.

If the legal entity chooses SMA rate, published charge, or rate for allocation, Schedule C will calculate a relative value for Medi-Cal reimbursable outpatient service functions with a cost reimbursement settlement type. Outpatient service functions are within mode 05 Other, mode 10, and mode 15. The Schedule will not calculate a relative value for inpatient hospital services – mode 05, service functions 10-19. Please enter cost data for hospital inpatient services in Column F, directly allocated data.

If the legal entity chooses SMA rate, published charge, or rate for allocation, please do not enter cost data into Column E or F for Medi-Cal reimbursable modes and service functions.

The bottom of the Schedule C calculates the costs allocated to Mode 05 inpatient hospital services, mode 05 other, mode 10, mode 15 (Program 1), mode 15 (Program 2), mode 45, mode 55, and mode 60. These totals by mode automatically populate the MH 1964.

### **Slide 53 – No Manual Entries Required on These Forms**

The MH1964, MH1969, MH1966, MH1968 and MH1979 require no manual entries. Information reported on these forms flow from the MH1901 Schedules and MH1960.

**Slide 54 - MH-1964, Allocation of Costs to Modes of Service**

The next form in the detail cost report flow chart is the MH 1964. The MH 1964 is automatically populated with data from the Schedule C. The form displays the costs allocated to particular modes of service. The form compares the sum of all the mode costs allocated on the Schedule C with the mode costs reported on line 19 of the MH 1960. If the two do not equal, the MH 1964 will show an error.

**Slide 55 - MH 1969 – Instruction for Lower of Costs or Charges Determination**

The next form in the flow chart is the MH 1969 \_INSTRUCTION. Legal entity's whose published charges are 60% or less than its Medi-Cal costs may be exempt from the lower of cost or charges determination. In other words, the cost report will not consider the legal entity's published charge in the lower of cost or charges determination. The first step in determining whether or not a legal entity is exempt from the published charge limitation is to complete the MH 1969\_INST. The left side of this slide displays the MH1969 Instruction. A legal entity must answer yes to all four questions to be eligible for nominal fee status. Refer to the Cost Reporting Instruction Manual for more information.

If the legal entity answers yes to all four questions on the MH 1969 – Instructions, it may complete the MH 1969 \_ Lower of Cost or Charges Exemption which is on the right side of the slide. The MH1969 determines whether or not the legal entity's published charge is 60% or less of its Medi-Cal costs for the cost reporting fiscal year.

Please refer to the cost reporting manual for more detailed information about how to complete this form.

**Slide 56 - MH-1966, Allocation of Costs to Service Functions –Mode Totals**

After completing the Schedule C, the form MH 1966 for the relevant Modes and service functions will be automatically populated. The detailed cost report includes an MH 1966 for Mode 05 inpatient hospital services, Mode 05 other 24 hour services, mode 10, mode 15 program 1, and mode 15, program 2. The forms for these modes determine the aggregate cost, published charge, and Schedule of Maximum Allowances for each settlement group identified on the Schedule B.

The detail cost report also includes an MH 1966 for modes 45, 55 and 60. The MH 1966 for these modes of service is much more simplified.

**Slide 57 - MH-1968, Determination of SD/MC Direct Services and MAA Reimbursement**

The MH 1968 is the next form on the cost report flow chart. The purpose of the MH 1968 is to determine the net reimbursement for inpatient and outpatient services and Medi-Cal Administrative Activities. Data from each MH 1966 is used to populate the cost, published charge, and Schedule of Maximum Allowance rows for each settlement group on the MH 1968.

For legal entities that do not qualify for the lower of cost or charges exemption per the MH 1969, the MH 1968 compares the total cost for all SD/MC settlement groups to the total published charge and total schedule of maximum allowance for inpatient services (Column E) and outpatient services (Column I) separately and selects the lowest, which

populates the gross reimbursement rows for each settlement group. For example, if the total cost of inpatient services for all Short-Doyle Medi-Cal settlement groups is lower than the published charge and schedule of maximum allowance for inpatient services for all Short-Doyle Medi-Cal settlement groups, the gross reimbursement for all settlement groups will be total cost.

For legal entities that do qualify for the lower of cost or charges exemption per the MH 1969, the MH 1968 compares total costs for all Short-Doyle Medi-Cal settlement groups to the total schedule of maximum allowance and selects the lowest to populate the gross reimbursement rows for each settlement group. For example, if the total cost of inpatient services for all Short-Doyle Medi-Cal settlement groups is lower than the schedule of maximum allowance for inpatient services for all Short-Doyle Medi-Cal settlement groups, the gross reimbursement for all settlement groups will be total cost.

The MH 1968 also compares the total cost for all settlement groups to the total schedule of maximum allowance for Mode 15 program 2 (Column J) and selects the lowest, which populates the gross reimbursement rows for Column J.

Column K is equal to the sum of Columns I and J.

The MH 1968 also calculates the net reimbursement for each settlement group. Net reimbursement is equal to the gross reimbursement less third party revenue reported on the Schedule B.

#### **Slide 58 - MH-1979, SD/MC Preliminary Desk Settlement**

The MH 1979 is the next form in the flow chart. The MH 1979 determines the preliminary net Federal Financial Participation due to the mental health plan for the services provided by the cost reporting legal entity. Data from the MH 1968 is used to populate the MH 1979. For county legal entities, data from the MH 1901 Information Worksheet is also used to populate the MH 1979.

For county legal entities, the MH 1979 determines the preliminary net Federal Financial Participation for administrative costs and utilization review/quality assurance costs. The MH 1979 applies the appropriate limits to reimbursement for administration of the Short-Doyle Medi-Cal Program and Healthy Families Program. State statute limits reimbursement of administrative costs for the Short-Doyle Medi-Cal Program to fifteen percent of direct service costs and Federal law limits reimbursement of administrative costs for the Healthy Families Program to ten percent of direct service costs. The MH 1979 applies these limitations in determining Federal Financial Participation.

#### **Slide 59 - MH-1992, Funding Source**

The MH 1992 is the final form in the cost reporting flow chart. The purpose of the MH 1992 is to identify the types of resources used to finance specific mental health program activities for each legal entity. The funding source identifies who is paying for programs authorized by the county mental health agency.

The MH 1992 calculates Federal Financial Participation by program activity from the MH 1968 and MH 1979. Please confirm that the MH 1992 reports enough funding in rows 15 through 24 to match the Federal Financial Participation calculated on rows 11 and 12.

We have completed filling out all the forms for a detail cost report. The next section discusses how to complete the summary cost report.

### **Slide 60 – Summary Cost Report**

This part of the presentation is on the summary cost report. The summary cost report has three general functions. One is to control State General fund allocations. Another is to summarize data from certain forms of the detail cost report. A third is to calculate the interim settlement of Federal Financial Participation (FFP). In this section, I will discuss how to complete each form in the summary cost report.

### **Slide 61 – Summary Flow Chart**

The first form is the Summary Flow Chart Instruction. It shows the starting point of which form to complete first and in what particular order. The MH1900 Info sum is the first form completed by the county mental health department.

### **Slide 62 - MH 1900 INFO SUM**

Counties are required to complete the preparer's name, date completed, county name, county code, county address and phone number in order for the compute summary function to work.

### **Slide 63 – MH1900 INFO SUM**

When the compute summary button is clicked, the list of legal entities will automatically populate. The second form to complete is the MH1908.

### **Slide 64 - MH 1908 Supplemental State Resource Data**

The purpose of the MH 1908 Supplemental State Resource Data worksheet is to identify the final allocation amounts for each program category and the prior year rollover amounts. The final allocation column is for current funding and the Prior Year Rollover allocation column is for prior year fund balance. The allocation entered in this form automatically populates line 6 of the MH1909's for each program category.

### **Slide 65 - MH 1909 Supplemental Cost Report Data by Program Category**

The objective of the MH1909 is to identify State General Fund allocation and expenditures for specified budget item and program category funds. A separate MH1909 is to be prepared for each program category fund and each program category fund rolled over from the previous fiscal year. The sample is for MH1909 AB 3632 rollover. The rollover amount of \$1,000 was fully expended. Unexpended funds will be recouped by the State if not fully spent in the second year of funding. Rollover expenditures are not current year categorical fund allocations and should not be included in the funding sources portion of the MH1940.

### **Slide 66 - MH 1909 SUM**

The MH1909Sum form is automatically populated. Data comes from the individual MH1909's that has current program category funding and each program category fund rolled over from the previous fiscal year.

**Slide 67- MH 1912 Supplemental Cost Report Data for Special Education Program (SEP)**

The objective of the MH1912 is to identify total Special Education Program (SEP) costs, regardless of funding source. The MH1912 will be used for reporting total program costs associated with the SEP mandate to the California Legislature and the California Department of Education. Additionally, for those counties submitting Senate Bill (SB) 90 claims for this program, the MH1912 SEP will be the supporting documentation for that claim. MH1909 AB 3632 used to report State General Fund (SGF) allocation for Assembly Bill (AB) 3632 should be completed in addition to documenting SEP expenditures on the MH1912.

**Slide 68 - MH1968 SUM Determination of Specialty Mental Health Services (SMHS) Direct Services and MAA Reimbursement**

The purpose of the MH1968Sum is to compile data from all of the county's legal entities to determine the net Specialty Mental Health Services and Healthy Families direct service reimbursement (FFP and state match) for inpatient and outpatient services as well as MAA reimbursement based on the lower of cost, charges, or SMA. MAA expenditures are combined on the MH1968. We added lines to the MH1968sum to capture Breast and Cervical Cancer Treatment and Prevention data. This form is automatically populated and data comes from the individual detail MH1968's.

**Slide 69 - MH1979 SUM Specialty Mental Health Services Preliminary Desk Settlement**

The purpose of the MH1979Sum is to compile data from all legal entities to determine the net Federal Financial Participation (FFP) due to the mental health plan or all Short Doyle Medi-Cal, Enhanced (Children), Healthy Family Services and Administrative costs. Line 30 is the regular Short Doyle/Medi-cal FFP) and line 32 is the Healthy Families FFP. This form is also automatically populated and data comes from each legal entity's detail cost report form MH1979.

**Slide 70 - MH1992 SUM Summary of Funding Sources**

The purpose of the MH1992Sum is to identify the types of resources used to finance specific mental health program activities. The funding sources identify who is paying for programs authorized by the county mental health agency. Please note that line 3 (adjusted gross cost) and line 26 (total funding sources) must equal. There is no data entry in this form. The MH1992Sum is automatically populated and data comes from the MH1992 for all detail cost reports filed by the county.

**Slide 71 - MH1994 Report of Mental Health Managed Care Allocation and Expenditures**

The purpose of the MH1994 is to allow each county legal entity to report prior and current year expenditures as well as State General Fund mental health contingency reserve and unexpended balance for Managed Care State General Fund allocation (Community Services – Outpatient Mental Health Services for Mental Health Managed Care). Line 11 must be blank unless you wish to return unexpended funds to the State.

### **Slide 72 - MH1995 Report of Mental Health Services Act (MHSA) Distribution and Expenditures**

The objective of the MH1995 is to allow each county legal entity to report prior year rollover balance and current year distribution, expenditures, interest earned and unexpended MHSA funding (line 8) which can be rolled over to the following year.

### **Slide 73 - MH1940 Year End Cost Report**

The purpose of the MH1940 is to allow each county's local mental health agency to report countywide mental health expenditure and revenues. This form is a summary of cost reports from all legal entities within the county. The information reported is certified by the county's mental health director and county's auditor-controller as being true and correct. Information is considered local mental health agency's claim for reimbursement and serves as the basis for year end cost settlement with DMH.

### **Slide 74 - MH1940 County Certification (Top Portion)**

The top portion of the county certification must be signed and dated by the Local Mental Health Director.

### **Slide 75 - MH1940 County Certification (Bottom Portion)**

The bottom portion of the county certification must be signed and dated by the Auditor-Controller or Finance Officer. The date uploaded, upload ID and upload file name must be entered.

**Note:** An original signed MH1940 certification and a hard copy of the cost report (summary and county detail only) must be submitted to DMH within ten days of the upload date to validate the submission through ITWS. MH1940s without the appropriate signatures will be considered incomplete.

### **Slide 76 - MH1930 Cost Report Final Settlement**

The MH1930 form is utilized after the cost reports are reconciled and during final settlement. This form is included with the final settlement package mailed to the county directors. The form identifies allocations for all program categories, adjustments for managed care Fee for Service (FFS) inpatient and contingency reserve, roll over amounts, estimated approved costs and Short Doyle/Medi-Cal and Healthy Families FFP. Data comes from appropriate summary cost report forms such as MH1908, MH1979Sum, MH1994 and MH1940.

### **Slide 77 - MH1931 Cost Report Final Settlement**

The MH1931 is also used at final settlement to determine how much total is due the county or due the state. The state compares the reimbursement identified on the county certified spreadsheets with prior payments made to the county based on claims submitted throughout the year. Data comes from the MH1930 and the claims paid summary.

This concludes the summary cost report section of this presentation. Let's move on to the ITWS submission.

### **Slide 78 - ITWS Submission**

After completing the cost reports, you will be able to submit those cost reports to the Department of Mental Health through the ITWS. In this section of the training, I will

explain how to prepare files for submission through ITWS, how to log into the ITWS, and how to upload the cost report files to ITWS.

### **Slide 79 - Creating the Submission File**

After completing the summary and detail cost reports, the mental health plan must compress the individual cost report files into a zip file. The first step in creating the zip file is to ensure that each individual cost report file is named properly. The summary cost report and each detail cost report must follow the prescribed naming convention. After the individual cost report files have been properly named, the files need to be compressed into a zip file. The zip file needs to follow the proper naming convention as well. The following slides display screen shots that show how to properly name the cost report files and create a zip file.

### **Slide 80 - Cost Report Naming Convention**

The Cost and Financial Reporting system uses the following naming convention for summary cost reports and detail cost reports. The naming convention for the summary cost report is CFRS Underscore, Fiscal Year, Underscore, County Code, five zeros, B, dot XLS. The naming convention for each detail cost report is CFRS, Underscore, Fiscal Year, Underscore, County Code, Legal Entity Number, B, dot XLS. The only difference between the summary cost report and the detail cost report is the summary cost report includes five zeros in place of the legal entity number.

This slide shows how to name the summary cost report and two detail cost reports for fiscal year 2009-10 filed by a fictitious county with county code 89. You'll notice that one of the detail cost reports is for the county legal entity 00089. The other detail cost report is for legal entity 00999.

### **Slide 81 - Creating a Zip File**

The Cost and Financial Reporting System accepts each mental health plans cost report package as a zip file. This slide displays the steps involved in creating the zip file. After properly naming the summary cost report and each detail cost report save them to a single folder.

### **Slide 82 – Creating a Zip File**

Highlight the summary cost report and each detail cost report to be included in the zip file. Click on the file menu, select new, then select compressed folder.

### **Slide 83 - Renaming the Zip File**

The selected cost report files will be compressed into a single zip file. Right click on the zip folder, select rename, and rename the zip file using the proper naming convention: CFRS, Underscore, Fiscal Year, Underscore, County Code, Underscore, B, Underscore, Submittal, Dot Zip.

### **Slide 84 – Uploading the Cost Report**

After preparing the zip file, you are ready to upload the cost report through the ITWS. This slide outlines briefly the steps in uploading into ITWS.

### **Slide 85 - Logging In to ITWS**

To log into the ITWS enter the web address into your web browser. The web address for ITWS is located on your screen. Enter your user name in the appropriate field. Enter your password in the appropriate field. Click on the Login button to connect to the ITWS.

### **Slide 86 - Log In Screen**

This slide displays a picture of the ITWS log in screen. Please notice that the fields for the user name and password are on the right side of the log in screen. Also notice the menu above the words “Information Technology Web Services,” which includes Home, Systems, Information, Enroll, Support, and Login. This menu will be used to access different parts of the ITWS.

### **Slide 87 – Uploading the Cost Report**

To upload the cost report, click on the “Systems” menu and select “Cost and Financial Reporting.”

### **Slide 88**

Then click on the “Functions” menu and select “Transfer files (Upload and Download).” The transfer files screen will appear.

### **Slide 89**

The upload function is on the right side of the screen. To upload a file, click on the add button.

### **Slide 90**

Highlight the zip folder that you want to upload and click on the “OK” button.

### **Slide 91**

You’ll see the zip folder under the files to be uploaded. Click the “Upload” button.

### **Slide 92**

You will be asked if you really want to upload these files. If you are sure, click “OK.”

### **Slide 93**

The screen will display this message if the upload was successful. After you upload the cost report a confirmation e-mail will be sent to the county contact and the cost reporting unit at DMH. The cost report will go through an automated edit process and ITWS will e-mail the county contact and cost reporting unit an automated error report. I’ll discuss the error correction process later in the training.

We have completed the ITWS submission and process section of this presentation. The last section of this presentation is on the automated edits and errors.

### **Slide 94**

In this section of the presentation, I will briefly review the purpose for the automated edit report, the structure of the automated edit report, how to correct some of the most commonly identified errors, and the manual desk edits performed by cost reporting analysts.

## **Slide 95**

The purpose of the automated edit report is to identify and correct errors on the cost report before reconciliation and settlement. Once you have uploaded your cost report through ITWS, you will receive an automated edit report. The errors identified on the automated edit report need to be cleared before the cost report can be reconciled and then settled. Once the errors in the automated edit report have been cleared, cost reporting analysts complete a manual desk edit, which may identify additional errors. Any errors identified through the manual desk edit process also need to be cleared prior to cost report reconciliation or settlement.

## **Slide 96**

The automated edit report is divided into four primary sections. The first section contains general information about the cost report for which the edit report was generated. This section of the report includes information about the county, the individual who prepared the cost report, the upload ID assigned to the cost report, and the dates the cost report was received and processed. The following three sections indicate whether or not the three different areas of the cost report have errors. The first section identifies errors in the submittal file, the second section identifies errors in the summary cost report, and the third section identifies errors in each specific legal entity cost report.

In our sample under Section 1: Submittal Results, the Passed OK indicates that the criteria was met to complete the upload. If your report does not indicate a “Passed OK”, you will need to correct the identified errors in your submittal file. The automated edit process checks the following components of the submittal file:

- The Naming convention.
- That the cost report files were “Zipped” correctly.
- That there is a Summary Cost Report.
- That the number of legal entity cost reports within the zip file match the number that is indicated within the Summary Cost Report.

## **Slide 97**

We will now review the Summary Cost Report results in Section two of the automated edit Report. Under Section two the headings are Sheet Name, Error Code, Excel Column, Excel Row and Description.

As the system reviews each form, if there are no errors, it will indicate A “Passed OK” under the Error Code heading.

Looking at our sample it indicates a “Passed OK” beginning at the MH-1900 INFO.SUM through the MH-1912.

**OUR FIRST ERROR IS INDICATED ON THE MH-1994.**

Under the Error code heading it indicates “Has Errors”. The next line Indicates that the error code is S012, that the error is in Excel Column 4, Excel row 34, and provides a description of the error. Error code S012 indicates that line 11 on the MH 1994 is greater than zero. The following Error code S057 indicates that the amount in Excel Column 4, Row 34 will be recouped. The purpose of the error code is to warn

the county that if it does not adjust its entries on the MH 1994, the state will recoup the amount on line 11.

### **SLIDE 98**

If there is an amount on the MH-1994, line 11, you are informing the state that you have identified an unexpended amount during FY 2009-2010, and you do not intend to Roll this amount into FY 2010-2011. This amount will be returned to the State of California.

If you do not intend to return these funds to the State enter the amount on line 11 in line 10, Contingency Reserve.

### **SLIDE 99**

The next error on the summary cost report is on the MH 1940. The error code is S049. This error has occurred on Excel Column 11, Row 32. The description indicates that line 7B does not equal line 14B. On the MH 1940, Line 7B should equal line 14B. This error is telling you that that the two figures do not match.

### **SLIDE 100**

This slide contains a snapshot of the MH 1940, which shows that line 7, Column B is equal to \$5,629,006 AND that line 14, Column B is equal to \$6,180,535.

Lines 1 through 6 automatically populate from data entered in the Detail and Summary Cost Reports. First verify that the data flowing to lines 1-6 in Column B are correct.

If lines 1- 6, Column B are correct, then the error is with the amount entered on line 8, Column B. The amount on line 8 column B is manually entered. If lines 1-6 are correct, line 8 should equal line 7 less lines 9, 10, 11, and 12 of Column B.

I also want to draw your attention to the error message at the bottom of the MH-1940. This error may have been corrected before the cost report was uploaded. Once the error is corrected, the bottom of the MH 1940 will display on O.K. message.

### **SLIDE 101**

Now that we have made the corrections in Section 2 we will move down To Section 3, the Detail Cost Report Results. In Section 3, the headings are Legal Entity File Name, Sheet Name, Error Code, Excel Column, Excel Row, and Description.

The very first legal entity cost report, for legal entity 00099, contains errors on the MH 1901 Schedule B, MH 1992, and MH 1979. The first error displayed is on the MH 1901 Schedule B. The error code is D025 and the error is occurring in Excel row 20. The error description indicates that the legal entity may not be approved to provide Medi-Cal units of service under the mode listed on Excel row 20 of the MH 1901 Schedule B.

### **SLIDE 102**

This slide includes a snapshot of the MH 1901 Schedule B. Line 1 which is Excel Row 20 reports 5,000 Medi-Cal units for mode 05, service function 81. Mode 05, Service Function 81 refers to Semi-Supervised Living and is not a Medi-Cal reimbursable service. This may be a typographical error. The legal entity may have provided

mode 10, service function 81 – Day Treatment Intensive, Half Day – which is a Medi-Cal Reimbursable Service. This error might also occur when a legal entity is providing a service without being Medi-Cal Approved by the Department of Mental Health.

### **SLIDE 103**

In order to verify the Modes and Service Functions for which a legal entity is approved, log into ITWS and look at the provider report. This slide displays a snapshot of a provider report. Notice the legal entity is not approved for mode 05, service function 81 but is approved for mode 10, service function 81.

Error code D025 is likely a typographical error and may be fixed by changing the mode of service from 05 to 10.

### **SLIDE 104**

If the error was a typographical error, correct the Schedule B with the correct Mode and Service Function.

If the error was not a typographical error, the County analyst will need to Contact the Department of Mental Health, Statistics and Data Analysis Unit. The DMH analyst to contact is Elisa Castellanos at (916) 654-2629. Elisa will guide you as to which form you should complete in order to update the provider file. Once she notifies you that the Provider File has been updated you may re-upload.

### **SLIDE 105**

The next error identified on cost report for legal entity 00099 is on the MH 1992. The error code is D015. The error is occurring in three different Columns along Excel Row 43 – Column 5, Column 9, and Column 14.

### **SLIDE 106**

This slide displays a snapshot of the MH 1992. Row 43 calculates the total expenditures for each column. The total in Row 43 must equal the adjusted gross expenditures on line 3. To correct this error, adjust the amounts entered into the blue cells on the MH 1992 so that the total expenditures calculated on line 26 equal the adjusted gross costs on line 3.

Please notice the error messages displayed at the bottom of the MH 1992. These error messages will turn to OK after the error has been corrected. Please correct these error messages before uploading the cost report.

### **SLIDE 107**

The next legal entity listed in section 3 is legal entity 00108. The automated edit report has identified one error on the MH 1901 Schedule B. The error code is D006. The error is not occurring in a particular excel column and row. The description indicates that the MH 1900 Information Sheet indicated that the legal entity was reporting Short-Doyle Medi-Cal units, but the Schedule B does not include Short-Doyle Medi-Cal units.

### **SLIDE 108**

This slide includes a snapshot of the MH-1900 Information sheet and a snapshot of the MH-1901, Schedule B. The MH-1900 Information sheet asks “Are you reporting

SD/MC?” The response is YES. However, the MH-1901 Schedule B does not include any SD/MC units.

To fix the error, revise the MH-1900 Information sheet to “NO” you are not Reporting any SD/MC or keep the “YES” response and enter Short-Doyle Medi-Cal units on the MH-1901 Schedule B.

**SLIDE 109**

Once you have corrected the errors and recomputed the summary cost report, upload the cost report. The ITWS will e-mail another automated edit report. Your goal is to upload and receive “PASSED OK” in Sections 1, 2 and 3 of the automated edit report.

**SLIDE 110**

Once the automated edit report has been cleared, your cost reporting analyst completes a series of manual desk edits for the summary cost report and all detail cost reports, including Medi-Cal and non-Medi-Cal providers. The manual desk edits check for errors that the automated edit process is not designed to identify. Any errors that the cost reporting analysts identify need to be corrected before the cost report may be reconciled and settled.

**SLIDE 111**

This concludes our webinar presentation. Thank you to everyone who participated in this webinar cost report training.