



TEXAS HEALTH AND HUMAN SERVICES COMMISSION

KYLE L JANEK, MD  
EXECUTIVE COMMISSIONER

December 18, 2014

To: Community Living Assistance and Support Services (CLASS) Case Management  
Agency and Direct Services Agency Providers  
Day Activity and Health Services (DAHS) Providers  
Deaf Blind Multiple Disabilities (DBMD) Providers  
Home and Community-based Services (HCS) Providers  
Intermediate Care Facilities for Individuals with an Intellectual Disability or Related  
Conditions (ICF/IID) Providers  
Nursing Facility (NF) Providers  
Primary Home Care (PHC) Providers  
Residential Care (RC) Providers  
Texas Home Living (TxHmL) Providers

Subject: Information Letter No. 14-83.2  
2014 Cost Report Training Information

Dear Providers,

The purpose of this letter is to notify providers of the training schedule for the 2014 cost report. Cost report training is required every other year for the odd-year cost report in order for the preparer to be qualified to submit both that odd-year cost report and the following even-year cost report. Preparers who completed cost report training for the 2013 cost report for a specific program will not be required to complete additional cost report training for that program in order to prepare a 2014 cost report.

**Please note that from this year forward, all Texas Health and Human Services Commission (HHSC) sponsored cost report training will be offered via webinar. There will be no on-site classroom training or online training.** There will still be separate webinars for new preparers and for those who have taken cost report training in previous years for each program. Each webinar will include both the general and program-specific content for a program.

- The “Initial Cost Report Training” webinar sessions replace the on-site classroom-based training for new preparers.
- The “Refresher Cost Report Training” webinar sessions replace the online training for preparers who have previously attended the on-site classroom-based training.

A preparer must complete the appropriate webinar in order to be able to submit a cost report. Upon completion of the appropriate webinar, preparers will be given the appropriate credit to be qualified to submit cost report. Attendees of the Initial Cost Report Training webinar will not receive a certificate, and there will be NO Continuing Education Units (CEUs) or Continuing Professional Education (CPEs) credits for completing either of the cost report training webinars.

### **INITIAL COST REPORT TRAINING**

There will be a separate Initial Cost Report Training webinar session for each program. All first-time cost report preparers **MUST** complete an Initial Cost Report Training webinar session for each program for which they will submit a cost report. While a first-time preparer may attend a Refresher Cost Report Training webinar session, they will not be qualified to submit a 2014 cost report if they do not also complete an Initial Cost Report Training webinar.

The Initial Cost Report Training webinar sessions will provide in-depth discussions of the Cost Determination Process Rules, including the cost determination process, the cost-reporting process, accrual accounting, direct costing, employee benefits/insurance, depreciation, related-party transactions and documentation requirements. They will also include information specific to each program, providing an opportunity to focus on program expertise and cost-reporting issues specifically related to the program

Upon successful completion of an Initial Cost Report Training webinar session for a specific program, a first-time preparer will be awarded credit and will be qualified to submit a 2014 cost report for the specific program.

### **REFRESHER COST REPORT TRAINING**

Preparers who have previously completed an on-site classroom-based cost report training session for a specific program but do not have a 2013 cost report certificate for that program **MUST** complete either an Initial Cost Report Training webinar or a Refresher Cost Report Training webinar in order to submit a 2014 cost report.

The Refresher Cost Report Training webinar sessions will provide a review of the 2014 cost report, with an emphasis on cost-reporting issues specifically related to the program, cost allocation, allowable and unallowable costs and deficiencies noted during the review and audit of cost reports from previous years.

Upon successful completion of either an Initial Cost Report Training webinar or a Refresher Cost Report Training webinar session for a specific program, the preparer will be awarded credit for completing the webinar and will be qualified to submit a 2014 cost report for the specific program.

### **RATE ANALYSIS WEBSITE**

The HHSC Rate Analysis Department (RAD) website contains program specific cost report instructions, cost report training information and materials, payment rates, RAD staff contact information and web links for training information and registration. Additional information and features are added periodically. We encourage you to visit our website at:

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

## RESOURCES

If you have any questions about the information in this letter, please contact your Rate Analyst:

Program	Rate Analyst	Phone	E-mail
PHC and CLASS	Sascha Duban	(512) 707-6077	<a href="mailto:sascha.duban@hhsc.state.tx.us">sascha.duban@hhsc.state.tx.us</a>
	Denise Welch	(512) 428-1909	<a href="mailto:denise.welch@hhsc.state.tx.us">denise.welch@hhsc.state.tx.us</a>
	Doug Odle	(512) 707-6086	<a href="mailto:doug.odle@hhsc.state.tx.us">doug.odle@hhsc.state.tx.us</a>
DAHS and RC	Luis Morales	(512) 707-6084	<a href="mailto:luis.morales@hhsc.state.tx.us">luis.morales@hhsc.state.tx.us</a>
DBMD	Doug Odle	(512) 707-6086	<a href="mailto:doug.odle@hhsc.state.tx.us">doug.odle@hhsc.state.tx.us</a>
HCS and TxHmL	Elena Hudson	(512) 730-7463	<a href="mailto:elena.hudson@hhsc.state.tx.us">elena.hudson@hhsc.state.tx.us</a>
NF	Brian King	(512) 707-6074	<a href="mailto:brian.king@hhsc.state.tx.us">brian.king@hhsc.state.tx.us</a>
ICF/IID	Maria Ebenhoeh	(512) 707-6062	<a href="mailto:maria.ebenhoeh@hhsc.state.tx.us">maria.ebenhoeh@hhsc.state.tx.us</a>

Sincerely,

*[signature on file]*

Victor Perez  
Director of Rate Analysis for Long Term Services & Supports