

GROUND EMERGENCY MEDICAL TRANSPORTATION SERVICES COST REPORT

GENERAL INSTRUCTIONS FOR COMPLETING COST REPORT FORMS

A) GENERAL

To participate in the reimbursement program authorized by State Plan Amendment (SPA 19-0002), each eligible publicly owned or operated emergency medical transportation provider must submit the cost report to the Iowa Department of Human Services, Iowa Medicaid Enterprise by November 30 of each Iowa state fiscal year (July 1-June 30).

Each provider shall maintain fiscal and statistical records for the service period covered by the costreport. All records must be accurate and sufficiently detailed to substantiate the cost report data. The records must be maintained until the later of a) the cost report is finalized and settled or b) a period of three years following the submission of the cost report. If a desk review or audit is in progress, all records relevant to the desk review or audit must be retained until the desk review or audit is completed or the final resolution of all desk review or audit exceptions, deferrals, and/or disallowances.

B) DEFINITIONS - GEMT

General

45 CFR 75.412 indicates there is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost incurred for the same purpose be treated consistently in like circumstances either as a direct or an indirect cost in order to avoid possible double-charging of Federal awards.

Direct Cost - 45 CFR 75.413 indicates that direct costs are those costs that:

- 1) Can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity; or
- 2) Can be directly assigned to such activities relatively easily with a high degree of accuracy.

45 CFR 75.413 also indicate that cost incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect cost. Essentially, any cost incurred by a fire department which includes both cost incurred applicable to firefighting as well as EMT services must be consistently direct or indirect in its entirety. For example, if travel expenses are assigned to EMT services as a direct cost, the remaining portion must be assigned to firefighting, or any other cost objective, as a direct cost in order to avoid possible double charging.

Indirect Cost - Indirect costs are those that cannot be readily assigned to a particular cost objective and are those that have been incurred for common or joint purposes. After direct costs have been determined and assigned directly to Federal awards and other activities as appropriate, indirect costs are the remaining costs to be allocated to benefitting cost objectives.

Direct Cost for GEMT Services

Professional and Contracted Services

- 1) GEMT Salaries/fringes – The allocation statistic of GEMT Hours/Non-GEMT would be accomplished via use of worker day logs or a Random Moments in Time Study (RMTS).
- 2) Non-GEMT Salaries/fringes – Based on 45 CFR 75.413(c), the salary/fringes applicable to clerical support staff should be included in the direct cost pool. The definition at 45 CFR 75.413(a) requires the allocation/assignment to be specifically based on clerical/support staff hours supporting GEMT/hours supporting other functions. This would be accomplished via use of worker day logs or a RMTS.

1st Line Supervisors:

- 1) Fire Chiefs – Based on the portion of 45CFR 75.413 which refers to cost being assigned with a high degree of accuracy, this would be accomplished via use of worker day logs or a RMTS.
- 2) Administrative Chiefs – Based on 45 CFR 75.413(c), the salary/fringes applicable to the Administrative Chief should be included in the direct cost pool. The definition at 45 CFR 75.413(a) requires the allocation/assignment to be based on the Administrative Chief's hours supporting GEMT/hours supporting other functions. This would be accomplished via use of worker day logs or a RMTS.

Medical Equipment and Supplies – Assignment should be based on direct identification.

Materials and Supplies – Assignment should be based on direct identification.

Travel - Assignment should be based on direct identification.

Training – Assignment should be based on direct identification.

Capital Outlays:

Depreciation – Building and Improvements – An allocation statistic based solely on square footage may not be appropriate as a square footage statistic would not account for situations where more or all improvements were made to the portion of the building/facility that pertains to firefighting.

Depreciation – Equipment– Allocation statistic based solely on square footage may not be appropriate as a square footage statistic would not account for situations where a higher percentage of the equipment cost is applicable to firefighting.

Depreciation – Other– Depreciation for the Fire trucks is recorded separately from the depreciation for the ambulance vehicles.

Leases and Rentals– Allocation/assignment statistic based on square footage is appropriate.

Property Taxes– Allocation/assignment statistic based on square footage is appropriate.

Property Insurance– Allocation/assignment statistic based on square footage is appropriate.

Interest – Property, Plant and Equipment – Allocation/assignment statistic based on square footage may be appropriate, however, this may take further discussion with the State to understand the equipment component.

Transport means Ground Emergency Medical Transportation Services as defined in the Medicaid State Plan Amendment (SPA) 19-0002 that are provided by eligible GEMT providers to individuals.

Ground Emergency Medical Transportation (GEMT) Services means both the act of transporting an individual from any point of origin to the nearest medical facility capable of meeting the emergency medical needs of the patient, as well as the advanced limited-advance, and basic life support services provided to the an individual by GEMT providers before or during the act of transportation.

Emergency Medical Response is a cost objective that includes expenditures for medical service performed at the point of injury or illness, typically outside a medical facility, to evaluate or treat a health condition. An emergency medical response is classed a “medical” by dispatch if the primary reason for the response is to provide medical services.

Non-Medical Emergency Response includes all emergency response activities whose purpose is not primarily medical. These responses are classified by dispatch in a variety of categories and reported for the purpose of cost reporting in a summary category of non-medical emergency response. Expenditures assigned to this cost objective are not allowable for determining the cost of emergency transportation.

Non-Medical Emergency Ancillary Services include activities such as fire prevention and permit issuance that are performed in the absence of an emergency to support preparedness, mitigate the need for emergency response, or lessen the severity of an emergency that might occur. For the purpose of Medicaid cost identification, expenditures associated with non-emergency ancillary services are not allowable for determining the cost of emergency medical transportation.

Shift means a standard period of time assigned for a complete cycle of work, as set by each eligible GEMT provider. The number of hours in a shift may vary by GEMT provider, but will be consistent to each GEMT provider.

Dry Run means a run that does not result in either a transport or a delivery on-site of Medicaid covered services.

GEMT Transport means GEMT services provided by eligible GEMT providers to individuals and does not include dry runs.

Service Period means July 1 through June 30 of each Iowa state fiscal year.

Eligible GEMT Provider means a provider who is eligible to receive supplemental payments under this program because it meets the following requirements continuously during the claiming period:

- a) Provides Ground Emergency Medical Transportation services to Iowa Medicaid members.
- b) It is a provider that is enrolled as an Iowa Medicaid provider for the period being claimed.
- c) Is owned or operated by an eligible governmental entity, to include the state, a city, county, fire protection district, community services district, health care district, federally recognized Indian tribe or any unit of government as defined in 42 C.F.R. Sec. 433.50.

Unallowable Costs are those expenditures, such as bad debts and contributions and donations, which 2 CFR, Part 200 does not permit to be charged for federal program. Additionally, for the purposes of Medicaid cost identification for emergency medical transportation, expenditures benefitting the non-medical emergency response and non-emergency ancillary services cost objectives are not allowable. For a complete listing of federal allowable and unallowable costs, please refer to: 2 CFR, Part 200–
<https://www.ecfr.gov/cgi-bin/text-idx?SID=15d5184c2810c3eef54cd7109663b443&node=pt2.1.200&rgn=div5>

C) REPORTING REQUIREMENTS

All costs reported must be in accordance with the following:

1. SPA 19-0002. Prospective payment rate under this program is available only for allowable costs incurred for providing GEMT services to eligible Medicaid beneficiaries that are in excess of the payments the eligible GEMT provider receives per transport from any source of reimbursement (uncompensated care).
 - a) The allowable costs must be determined in accordance with the methodology specified under SPA 19-0002.
 - b) A copy of the State Plan which includes GEMT services can be found online at <https://dhs.iowa.gov/ime/about/stateplan/medicaid>
2. Allowable costs are those that are generally considered eligible for federal reimbursement based on the Medicaid cost principles established in 2 CFR, Part 200.

D) LAWS AND REGULATIONS AT A GLANCE

Federal and State Regulations – GEMT Cost Reporting Requirements:

- Iowa Administrative Code 441-79.1
- 42 C.F.R, Part 413 – Principles of reasonable cost.
- 2 CFR, Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

E) ADDITIONAL CRITERIA FOR COSTREPORTING

- Costs incurred during the Iowa state fiscal year are considered the cost report period.
- Services rendered to patients who have coverage under both Medicare and Medicaid programs ("dually eligible patients") are not eligible for reimbursement under this program.
- The only administrative costs incurred for billing and/or accounting services that are eligible for reimbursement are those in compliance with the federal and state regulations as defined established in 2 CFR, Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

F) COST REPORT SECTIONS AT A GLANCE

General Information and Certification	Certifies the GEMT Cost Report
Schedule 1	Schedule of Total Expense
Schedule 2	Ground Emergency Medical Transportation Services (GEMT) Expense
Schedule 3	Non-GEMT Expense
Schedule 4	Allocation of Capital Related and Salaries & Benefits (CRSB) Expense
Schedule 5	Allocation of Administration & General
Schedule 6	Reclassification of Expenses
Schedule 7	Adjustments to Expenses
Schedule 8	Revenue / Funding Sources
Schedule 9	Prospective Payment Rate Determination
Schedule 10	Notes

GENERAL INFORMATION AND CERTIFICATION

Complete items 1-27. No input is necessary for item 28, information will auto-calculate. The individual signing the certification statement must be an Officer or Administrator. The Cost Report must be legibly completed and signed. Cost reports received that are not clear, legible, or have been altered, or are incomplete, and/or not signed will be rejected and returned with instructions noting the deficiencies in need of correction. Cost reports that are not accepted by the required filing deadline due to improper completion will be rejected.

SCHEDULE 1 – TOTAL EXPENSE

This worksheet should reflect all costs incurred by the GEMT provider. No input is necessary on this Schedule. All numbers will flow from other Schedules. Costs associated with dry runs and runs where a Medicaid covered service was delivered but no transport occurred are not allowable.

SCHEDULE 2 – GROUND EMERGENCY MEDICAL TRANSPORTATION SERVICES (GEMT) EXPENSE

Enter the total unallocated direct expenses incurred from providing 100% GEMT during each shift. Do not enter expenses for multiple activities (i.e. “shared” services) as 100% GEMT. These expenses must be allocated on Schedule 4. For example, for staff that responds to both GEMT transports and NON-GEMT transports activities (i.e. firefighters), salary and fringe benefit expenses for that staff must be reported in Schedule 4 as allocated costs.

Column 1: Enter all costs that are 100% associated with GEMT. Any costs that are not 100% GEMT or considered a “shared” cost will be input on other Schedules.

Column 2: No input necessary. Information will flow from Schedule 4.

Column 3: No input necessary. Information will flow from Schedule 6.

Column 4: No input necessary. Information will flow from Schedule 7.

Column 5: No input necessary. Information will auto-calculate.

SCHEDULE 3 - NON-GEMT EXPENSE

Enter total expenses applicable to 100% Non-GEMT services.

Column 1: Enter all costs that are 100% associated with NON-GEMT.

Column 2: No input necessary. Information will flow from Schedule 4.

Column 3: No input necessary. Information will flow from Schedule 6.

Column 4: No input necessary. Information will flow from Schedule 7.

Column 5: No input necessary. Information will auto-calculate.

SCHEDULE 4 - ALLOCATION OF CAPITAL RELATED AND SALARIES & BENEFITS (CRSB) EXPENSE

Enter total shared expenses that will be apportioned between GEMT and NON-GEMT services.

Column 1: Enter all Capital Related and Salaries and Benefit costs that are not directly assigned to GEMT and NON-GEMT services.

Column 2: No input necessary. Information will flow from Schedule 6.

Column 3: No input necessary. Information will flow from Schedule 7.

Columns 4 thru 6: No input necessary. Information will auto-calculate.

At the bottom on Schedule 4, identify in the yellow highlighted boxes, the appropriate hours spent that pertain to GEMT services and NON-GEMT services.

SCHEDULE 5 – ALLOCATION OF ADMINISTRATION & GENERAL

Enter total shared expenses for Administrative and General.

Column 1: Enter all Administrative and General (A&G) costs that are not directly assigned to GEMT and NON-GEMT services.

Column 2: No input necessary. Information will flow from Schedule 6.

Column 3: No input necessary. Information will flow from Schedule 7.

Columns 4 thru 6: No input necessary. Information will auto-calculate.

SCHEDULE 6 – RECLASSIFICATION OF EXPENSES

A reclassification of expense is an entry that transfers costs from one cost center and/or schedule to another. Reclassification will be necessary when an expense has been improperly classified.

An explanation must be included for each reclassification in the column labeled “Explanation of Entry.”

Column 1: Enter sequential lettering system to identify individual reclassifications; i.e. A. B. C...

Column 2: Enter Cost Center this is increasing.

Column 3: Enter Line Number of schedule this increase pertains to.

Column 4: Enter Schedule Number this increase pertains to.

Column 5: Enter the Amount of increase.

Column 6: Enter Cost Center this is decreasing.

Column 7: Enter Line Number of schedule this decrease pertains to.

Column 8: Enter Schedule Number this decrease pertains to.

Column 9: Enter the Amount of decrease.

The increased total must equal the decreased total at the bottom of this schedule.

SCHEDULE 7 – ADJUSTMENTS TO EXPENSES

An adjustment is an entry to adjust expenses. For example, the cost of fundraising activities is not a reimbursable expense under the CMS Pub.15-1 and 2 CFR, Part 200. Therefore, remove any costs associated with fundraising, which are included in your general ledger expenses, through an adjustment in Schedule 7.

SCHEDULE 8 – REVENUE / FUNDING SOURCES

AREA A

Column 1: Enter IA Medicaid FFS Revenue type.

Columns 2 thru 5: Enter dollar amount for revenue received.

Column 6: No input necessary. Information will auto-calculate.

AREA B

Column 1: Enter IA Medicaid Managed Care Revenue type.

Columns 2 thru 5: Enter dollar amount for revenue received.

Column 6: No input necessary. Information will auto-calculate.

AREA C

Report other revenues for GEMT and NON-GEMT by type

Column 1: Report all revenue (i.e. Tax Revenue, Grants, etc.) received and list the funding source.

Column 2: Enter revenue amount if it's GEMT specific.

Column 3: Enter revenue amount if it's NON-GEMT specific.

Column 4: No input necessary. Information will auto calculate.

SCHEDULE 9 – PROSPECTIVE PAYMENT RATE DETERMINATION

Row 1: No input necessary; Cost of GEMT will populate from Schedule 2.

Row 2: Indicate if the Indirect Cost Factor was based on GEMT. Use the drop down box.

Row 3: If the answer for Row 2 above was NO, enter the base costs for calculating the Indirect Cost.

Row 4: Enter the Indirect Cost Factor. In most cases, when an Indirect Cost Factor is being applied, there should be no A&G cost allocated.

Row 5: No input necessary; A&G Allocation will populate from Schedule 5 (A).

Row 6: No input necessary; A&G totals to be included will populate.

Row 7: No input necessary; Grand Total of GEMT Expense will populate.

Row 8: Enter the total number of GEMT transports (including dry runs) for the reporting period, by quarter where applicable.

Row 9: No input necessary; an average cost per GEMT transports will be determined by dividing Grand Total of GEMT Expense to the Total Number of GEMT transports.

Row 10: No input necessary; IA FFS / Managed Care Transports will populate for the corresponding quarter from Schedule 9, Line 8.

Row 11: No input necessary; Total costs of Iowa Medicaid FFS / Managed Care GEMT transports will

populate.

Row 12: No input necessary; Medicaid FFS / Managed Care and other revenue will populate for the corresponding quarters from Schedule 8, Lines 1-6. Note: The amount will be a negative value.

Row 13: No input necessary; IA Medicaid FFS / Managed Care uncompensated care cost of services for the corresponding quarter will populate.

Row 14: No input necessary; Total IA Medicaid FFS / Managed Care GEMT transports (excluding dry runs) will populate.

Row 15: No input necessary; IA Medicaid FFS / Managed Care uncompensated care cost per GEMT transport will populate.

SCHEDULE 10- NOTES

Identify any contracting arrangements for expenditures reported on Schedules 1-5, the statistical basis for allocation on Schedules 4 and 5, and reasons for any schedules left blank.

FILING DEADLINE

Cost reports are due no later than 150 days after the last day of the State Fiscal Year. A request for an extension may be submitted to the Iowa Medicaid Enterprise. The written request must include a detailed explanation of the circumstances supporting the need for additional time and be postmarked within the 150 days after the last day of the applicable State Fiscal Year. Filing extensions may be granted by the Iowa Medicaid Enterprise for good cause, but such extensions are made at the discretion of the Iowa Medicaid Enterprise.

A signed Adobe PDF™ version of the contract, the Excel™ version of the cost report, and any supporting documentation should be submitted electronically to costaudit@dhs.state.ia.us.

After the Cost Report has been reviewed and accepted, the provider must maintain a copy of the signed and electronic version of the cost report and all supporting documentation.