MaineCare Cost Report Checklist
Nursing Homes

Facility Name _________________________________________ Fiscal Year __/__/__ to __/__/__

Preparer’s Name: _______________________ Phone/Email: _______________________________

Please note: cost report forms may not be altered.

Documentation required for cost report acceptance:

_____ 1.) Depreciation schedule - copy of the fixed asset register, e.g., land, buildings, equipment indicating the acquisition date, the cost, useful life, method of depreciation, annual depreciation for each asset, and accumulated depreciation at the end of the prior year and at the end of the current year. Depreciation expenses must reconcile with the financial statements and the submitted cost report. Also, a reconciliation schedule to state depreciation from “book basis” to “MaineCare basis” that ties to all depreciation expense claimed on Schedule F on lines 13 through 32.

_____ 2.) Asset Additions/Deletions:
   a.) Asset additions - copy of workpaper separately listing all asset additions for the cost report period showing:
      • Description of asset
      • Date purchased
      • Useful life
      • Method of first year depreciation
      • Acquisition price
   b.) Asset deletions - copy of workpaper separately listing all asset deletions for the cost report period showing:
      • Date purchased
      • Useful life
      • Cash value received
      • Historical cost
      • Book value
      • Reconciliation of gain/loss to financial statements
      • Explanation of final disposition of asset

_____ 3.) Amortization Schedules – copy of all amortization schedules showing beginning balance, amortization expense, and ending balance. Also, a reconciliation schedule that ties to all amortization expense claimed on Schedule F on lines 13 through 32.

_____ 4.) Notes Payable
   a.) Notes payable - copy of workpaper listing of individual notes payable reconciled to balance sheet account.
   b.) Loan agreement - copy of all loan agreements. This will be required for first year only. Thereafter, only if there are any new loans in the operating year, a copy of loan agreement is required.
   c.) Interest schedule - copy of detailed workpaper reconciling allowable interest expense and amount claimed as unallowable on cost report on Schedule F on lines 13 through 32.
   d.) Copy of beginning and ending bank statements for each loan.
5.) Leases
   a.) Unrelated party - a copy of signed and dated lease agreements showing complete terms
      of lease to include: amount of lease, detail what is being leased, certification of unrelated
      status, etc.
   b.) Related party - a copy of signed and dated lease agreement showing terms of lease,
      amount of lease, detail of what is being leased. Additionally, a cost of ownership of leased
      equipment (see principles of reimbursement related party requirement.).
   c.) Cost of ownership (for unrelated and related party leases) - a copy of a schedule listing
      all expense classifications and amounts claimed for cost of ownership and elimination of
      lease amounts (if applicable) reconciled to amount claimed on the MaineCare cost report
      on Schedule F on lines 13 through 32.
   d.) A reconciliation schedule that ties to all lease expenses claimed on Schedule F on lines
      13 through 32.

6.) Equipment Rental – copies of invoices and general ledger detail.
   a.) A reconciliation schedule that ties to all equipment rental expenses claimed on Schedule
      F on lines 13 through 32.

7.) Taxes
   a.) Real estate and personal property - copy of invoice(s) and cancelled check(s), or
      account detail or receipt from municipality.
   b.) A reconciliation schedule that ties to all real estate and personal property tax expenses
      claimed on Schedule F on lines 13 through 32.

8.) Insurance other than worker’s compensation - copy of policy cover page(s) reflecting
     period, amount charged and coverage.
   a.) A work paper that reconciles insurance expenses claimed on the cost report on Schedule
      F on lines 13 through 32 to the Financial Statement.
   b.) If adjusting entries were posted to insurance expense account(s), provide a copy of the
      entry(ies) with supporting documentation.

9.) Worker’s compensation insurance – copy of coverage page(s) for policies in force during
     the fiscal year.
   a.) A work paper that reconciles worker’s compensation insurance expenses claimed on the
      cost report on Schedule F on lines 13 through 32 to the Financial Statement.
   b.) Copy of worker’s compensation audited policy and audit trail to MaineCare cost report.
   c.) Copy of audit settlement check and audit trail to financials.
   d.) Not self insured - copy of listing of deductibles for worker’s compensation paid claims.
   e.) Self insured - copy of paid claims, supplemental insurance and detail of trustee and
      other administrative fees.

10.) Provider Tax - a copy of Maine Revenue Services Health Care Provider Tax
     Reconciliation and a copy of the monthly returns for all Health Care and/or Service
     Provider Tax payments.
     a.) A reconciliation schedule that ties to all Provider Tax expenses claimed on Schedule F
        on lines 13 through 32.
11.) All other fixed costs not indicated above – copies of invoices and general ledger detail.
   a.) A reconciliation schedule that ties to all other fixed costs claimed on Schedule F on lines 13 through 32.

12.) Background Checks - a copy of invoices in support of costs claimed on the cost report for background checks.

13.) Water & Sewer - a copy of the general ledger detail for water & sewer.
   a.) A reconciliation schedule that ties to all water & sewer expenses claimed on Schedule F.

14.) Central office costs - if you are reporting central office costs, provide:
   a.) A copy of the annual home office financial statement(s).
   b.) The cost allocation workpaper providing the audit trail that ties to all central office costs claimed on Schedule F.

15.) Department Required Prior Approvals – submit copies of the following prior approvals:
   Additional vehicle approvals
   Refinancing approvals
   CON approvals
   AIT approvals
   Vent care approvals
   Bariatric care approvals

16.) Personal use - workpapers and citation of applicable trial balance account for the personal use of vehicles and personal use of any other equipment or property used. Additionally, workpaper needs to delineate allowable and unallowable percentages and to provide a justification disclosure for percentages used.

17.) Revenue Reconciliation – a worksheet reconciling revenues by payer to total revenues reported on the financial statements.

18.) Census logs - a copy of your monthly log summaries which reconcile to the as filed cost report. This additionally needs to be detailed by MaineCare, Medicare, private, VA, days waiting placement, etc. **Note: Please do not submit HIPAA information.**

19.) Financial statements – a copy of financial statements and workpaper reconciliation to the as filed cost report.

20.) Adjusted trial balance - a copy of detailed adjusted trial balance with adjusting journal entries, which includes all general ledger accounts, showing total expenses that tie to Schedule F, col 2, line 147.

21.) Year-end adjusting entries - copy of auditor’s and client prepared year-end adjusting entries.

22.) Accounts Payable Aging Schedule – detailed listing of accounts payable as of the close of your fiscal year.

23.) Related parties - a copy of financial statements, trial balances, adjusting entries and workpaper documentation to support cost incurred and cost reported to be MaineCare allowable from transactions with all related parties.
24.) Payroll - a copy of workpaper reconciling payroll to the MaineCare cost report.  
a.) 941’s - Employer’s Quarterly Federal Tax Return.  
b.) 940’s - Employer’s Annual Federal Unemployment Tax Return.  
c.) 941/C1-ME – Combined Filing for Income Tax Withholding and Unemployment Contributions.  
d.) Quarterly employee listing by name - listing needs to be detailed by name and individual detailed wages earned.  
e.) Fringe benefits analysis - detailed by category of benefit.  
f.) Bonuses – detail listing of all bonuses paid during the year and a copy of the employee manual which provides the basis for the bonus.

25.) Organizational chart - a copy of the organizational chart applicable to the reporting period, including the names of staff/owners in each position.