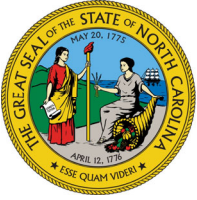


**DHB Provider Audit Section
ICF-IID Group Homes
Guidance for Cost Report Preparation**

FYE: June 30, 2025

Revised June 4, 2025



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Health Benefits

JOSH STEIN • Governor

DEV DUTTA SANGVAI • Secretary

JAY LUDLAM • Deputy Secretary, NC Medicaid

June 4, 2025

Dear Group Home:

In accordance with the Reimbursement Plan for Intermediate Care Facilities for Individuals with Intellectual Disabilities, we are furnishing the software for the 2025 Medicaid cost reporting forms.

The downloadable Excel software will enable you to input and generate your 2025 Medicaid cost report. The User's Guide includes instructions for generating a blank cost report and inputting data to generate your completed cost report. **The furnished software is not to be modified in any manner.**

The cost report for the fiscal year ended June 30, 2025, is **due to be filed by Tuesday, September 30, 2025**. We do not plan to issue any extensions from this due date. The cost report may be filed electronically by e-mail along with a signed Certification Form and the working trial balance to Medicaid.LTCCostReport@dhhs.nc.gov:

If a settlement is due the Medicaid Program, make check payable to Division of Health Benefits for the amount due and remit it under separate cover to:

DHHS-Controller's Office
Accounts Receivable - Health Benefits
2022 Mail Service Center
Raleigh, NC 27699-2022

Below, we have furnished guidance to assist you in preparing the cost reporting forms in accordance with our requirements. Also, Frequently Asked Questions (FAQs) can be accessed on the website page. If you have questions regarding the cost reporting forms, please contact the DHB Audit Section via e-mail at Medicaid.LTCCostReport@dhhs.nc.gov.

Sincerely,

Atul Bhikha
Audit Manager
Provider Audit

NC MEDICAID
NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS

LOCATION: 1985 Umstead Drive, Kirby Building, Raleigh, NC 27603
MAILING ADDRESS: 2501 Mail Service Center, Raleigh, NC 27699-2001
www.ncdhhs.gov • TEL: 919-855-4100 • FAX: 919-733-6608
AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

**DHB Provider Audit Section
ICFIID Group Homes
Guidance for Cost Report Preparation
FYE: June 30, 2025**

COMPLETION OF SCHEDULES

A Consolidated Health Care Assessment Tax Schedule has been created to provide easier filing of the tax assessment for group homes with no Medicaid Days in FY25. These schedules can be accessed via the DHB Audit Section web site. To complete the schedules, on the Main tab go to Line 1 “PRIMARY HOME” and select the name of the facility from the drop-down list and then complete the C-Census tab. For providers with more than one group home, complete the Main tab for the group home with the Lowest Provider Number and complete the C-Census tab for that home. Select the additional homes on the Facility tab by choosing the name of each home from the drop-down list. Enter the census data for the additional homes on the More Census tab. An originally signed copy of the Certification form for the main group home must be mailed to DHB. Also required is an electronic or hard copy of each facility’s Monthly Census summary.

For FY25 cost reports, all providers are required to furnish copies of existing, renewed, or amended facility and day program lease agreements which support any lease expense identified in the cost report. Failure to support lease agreements with proper documentation may result in disallowance of lease expense.

Sch. G - Revenues – Beginning with FY20, providers must complete Sch. G to show a computation of their Net Patient Revenues, which is total revenue from all sources less allowable expenses.

Fire Protection Sprinkler System Schedule – This schedule will have to be completed by those group homes that have received partial reimbursement for the installation of a fire protection sprinkler system. This schedule can be completed by accessing the DHB Provider Audit Section web site. For further information on reimbursement of fire protection sprinkler systems, please call (919) 527-7160.

Limitations

The established cost limitations for ICFIID group home cost reports for fiscal year ended June 30, 2025, are as follows:

Medical Director:	\$250 per bed annually
Management Fees:	\$7.13 per patient day
Capital/Lease Costs:	\$6,546 annually per bed
Director's Fees:	\$2,400 annually or \$200 per meeting

**DHB Provider Audit Section
ICFIID Group Homes
Guidance for Cost Report Preparation
FYE: June 30, 2025**

Owner or Administrator Salary:

\$57,570	(1-50 beds)
\$69,912	(51-99 beds)
\$74,024	(100-149 beds)
\$79,660	(150-199 beds)
\$90,469	(200-249 beds)

Prior Year Cost Reports

ICFIID cost report preparers are required to review the prior year desk and field audited cost reports and incorporate all applicable adjustments and/or recommendations into the 2025 cost reports. (CMS Pub 15-1, Section 2905.2)

Cost reports filed for fiscal year ended June 30, 2025, without all schedules properly completed will be considered incomplete and subject to suspension of all payments until schedules are properly completed.

Field Audits

If your ICFIID facility is selected for a field audit, financial records supporting the cost report must be made available to the field auditors on an agreed upon timetable. **Failure to furnish requested financial records might result in the repayment of all Medicaid payments.**

Other Questions About Cost Report Preparation?

If you have questions about the preparation of the cost reporting forms, please contact the DHB Audit Section at (919) 527-7171 or email Medicaid.LTCCostReport@dhhs.nc.gov.

ICFIID Cost Report Checklist
FYE: June 30, 2025

The following items must be emailed to DHB by September 30, 2025:

- _____ The Combined Cost Report for the Audit Section
- _____ Signed and dated copy of the Information/Certification Form
- _____ Signed and dated copy of the Provider Health Care Assessment Certification Form, if these forms are completed by the individual Group Home
- _____ Working Trial Balance for the ICFIID facility (preferably in Excel).
- _____ Copy of contracts for new or renewed lease agreements