

Indiana Medicaid
MYERS AND STAUFFER LC
Certified Public Accountants

Cost Report Internal Control Questionnaire
To Be Completed and Filed With the Annual Cost Report

	(For Internal Use Only)
Chain Name _____	Accountant _____
Provider Name(s) _____	Reviewed By _____
Provider Number(s) _____	Phone _____
Applicable Periods of Report(s) _____	Fax _____
Person Responding _____	

- | | |
|--|---------|
| 1. Are all licenses and certificates required by your facility and its staff in full force and effect at this date and during the period under review (i.e. - ISDH certifications, C&T, etc.)? | Y N N/A |
| 2. A. Are the people who handle cash different from the person(s) responsible for recording cash and reconciling bank accounts? | Y N N/A |
| B. Are there more than two people responsible for the accounting functions? | Y N N/A |
| C. Is the person who prepares checks restricted from signature authority? | Y N N/A |
| D. Is supporting documentation reviewed prior to signing checks? | Y N N/A |
| 3. Are resident trust funds maintained in separate bank accounts? | Y N N/A |
| 4. Are all employees required to take annual vacations? | Y N N/A |
| 5. Does someone else perform their duties when on vacation? | Y N N/A |
| 6. Are there adequate safekeeping facilities for custody of the accounting records such as fireproof storage areas and restricted access cabinets? | Y N N/A |
| 7. Are salaries and wages reconciled to the IRS 941 Forms? | Y N N/A |
| 8. Are key personnel (i.e. - managers, officers, administrators, etc.) the same as the prior year? | Y N N/A |
| 9. Do job descriptions exist that detail specific responsibilities for key personnel? | Y N N/A |
| 10. Is there fidelity bond coverage of employees who handle cash, securities, other valuable assets and accounting records? | Y N N/A |
| 11. Are all accounting records retained for at least three (3) years? | Y N N/A |

COST REPORT QUESTIONNAIRE

12. Is the working trial balance submitted with the cost report in agreement with the general ledger? Y N N/A
13. Are the financial statements prepared in accordance with Generally Accepted Accounting Principles? Y N N/A
14. Were there any fraudulent transactions present during the cost report period? Y N N/A
15. Did an independent accountant perform a compilation, review or audit on the financial ? statements? If yes: Y N N/A
- A. Were independent auditor’s adjustments incorporated into the cost report? Y N N/A
- B. Were material weaknesses or reportable conditions reported? *(N/A if no audit)* Y N N/A
16. Are monthly or quarterly financial statements prepared and reviewed by management? Y N N/A
17. Is there a Board of Directors that monitors management activities and entity operations? Y N N/A
18. Are the personal transactions of management and employees completely segregated from the business (i.e.-vehicles used for business and personal)? Y N N/A
19. Are contract service agreements reimbursable and related to patient care? Y N N/A
20. A. On the Cost Report, are joint or shared resources (i.e.-personnel, property, financing) disclosed? Y N N/A
- B. Is there an allocation plan and documentation that supports the resident-related allocation to this facility? Y N N/A
21. During the cost report period, are the services you offer materially the same as the prior year? Y N N/A
22. A. Have timely payments been made on accounts payable, leases, loans, and taxes? Y N N/A
- B. If no to any of the above, were penalties and late fees removed from the cost report? Y N N/A
23. Are items or groups of like-kind items that cost \$500 and over with a useful life of 3 or more years capitalized? Y N N/A
24. Are repair and maintenance accounts reviewed to identify items that should be capitalized? Y N N/A
25. Is all interest income offset against expense? Y N N/A
26. Are the Medicaid days as reported on the monthly billings to the Medicaid intermediary (EDS) reconciled to the monthly census report? Y N N/A
27. Have non-reimbursable costs been eliminated from the cost report (i.e.-luxury accommodations, private telephone/cable TV, promotional advertising, legal fees related to appeals with the State)? Y N N/A
28. Are there related party transactions in the following areas:
- | | |
|---------------|--------|
| A. Leases | Yes No |
| B. Loans | Yes No |
| C. Consulting | Yes No |
| D. IV Therapy | Yes No |

COST REPORT QUESTIONNAIRE

28. Continued

- E. Oxygen Therapy
- F. Physical Therapy
- G. Occupational Therapy
- H. Speech Therapy
- I. Medical Supplies
- J. Ventilator Services
- K. Management Fees/Home Office
- L. Other _____
- M. Other _____

Yes	No
Yes	No
Yes	No
Yes	No
Yes	No
Yes	No
Yes	No
Yes	No
Yes	No

29. Are there loans between the home office and the facilities?

Y	N	N/A
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30. At the Home Office level, have steps been taken to eliminate non-reimbursable expenses (i.e.- promotional advertising, franchise taxes, goodwill amortization, stockholder relations)?

Y	N	N/A
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31. Does the owner have any interests in other businesses (i.e. - non-healthcare)?

Y	N	N/A
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CERTIFICATION

I hereby certify that I have answered the questions on pages 1 through 3 of this document regarding the internal controls and cost reporting practices of: [list facility name(s) and number(s) below]:

for the period beginning _____ and ending _____,

and that, to the best of my knowledge and belief, the answers are true, correct and complete.

Signed _____
Officer or Administrator of Provider(s)

Title

Print Name

Date