



NWD Medicaid Administrative Claiming Workbook Tool Six: Cost Pool Guidance and Six(a) Spreadsheet Template (see Excel Document)

About this Tool

These tools include this guidance document and a standardized spreadsheet, the Cost Pool Spreadsheet, which reports on the total costs associated with each time study participant and instructions on completing the spreadsheet.

Refer to the Medicaid Claiming Workbook for further guidance.



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Mechanism for Reporting Costs

States may have varying methods for reporting and collecting costs on a quarterly basis. This may be reported electronically through existing fiscal systems, through cost pool calculations made internally, standardized spreadsheets that documents costs, etc. States may choose to utilize existing methodologies to report on costs and/or may allow this process to occur internally at the local level.

This workbook tool provides **one option** that should be used as a template if states choose to have a standardized method for reporting costs. **Entities developing the claiming infrastructure should adapt this spreadsheet to reflect accounting categories and practices in their state.** The guidance for filling out the spreadsheet can be adapted to serve as training for agency fiscal staff responsible for completing the spreadsheet on a quarterly basis.

Further guidance on the reporting mechanism is provided within Step 4 of the workbook. This tool provides guidance for updating and completing **Tool Six(a), the Cost Pool Spreadsheet Template.**

Updating the Cost Pool Spreadsheets

The operating agency will need to make updates to the cost pool spreadsheet prior to distributing to the local agencies. These updates may include adjusting the cost categories, locking and unlocking cells and/or the worksheet, and updating the hover-over guidance.

Adjusting the Cost Categories

States should determine the appropriate cost categories based upon common accounting ledgers used by the state and/or local entities. In the cost pool spreadsheet template, sample categories have been included in red text and eight blank categories, labeled “Add Additional Cost Categories”, have been included as placeholders. States should update the fields highlighted in red to reflect the state-specific cost categories.

Locking and Unlocking Cells and/or Worksheets

It is critical to note when filling in the template that only the white cells should contain entered data. The green cells will automatically calculate based on formulas embedded in the spreadsheet. Unless fiscal staff familiar with Excel deem it necessary, **do not overwrite or delete the formulas, as this will impact the way the calculations are determined.**

The template spreadsheet provided as workbook tool six(a) is unlocked so that states can update the cost categories. Once these updates are made, **the operating agency should lock the spreadsheet prior to distribution to the local agencies to prevent alteration of formulaic cells.**

To lock the spreadsheet:

- Select the “Review” tab



- Click “Protect Sheet”
- Ensure that both “Protect worksheet and contents of locked cells” and “Select unlocked cells” are checked
- Enter a password to unlock the spreadsheet. **Note:** that this password should be documented by operating agency staff, as the spreadsheet cannot be unlocked without it. Select “Ok”
- Reenter the password when prompted and select “Ok”

To unlock the spreadsheet:

- Select the “Review” tab
- Click “Unprotect Sheet”
- Enter the password created when locking the sheet
- Select “Ok”

To lock/unlock specific cells:

- Select the cell(s) to lock or unlock
- Right click and select “Format cells...”
- Select the “Protection” tab
- If the cells should be locked, a check mark should appear in the box to the left of the “Locked” option. If the cells should be unlocked, there should be no checkmark
- Select “Ok”

Updating the Hover Over Options

Many of the cells in Column A of the spreadsheets contain directions for what to include in the row. For example, the sample cost category *Travel* includes the guidance “In-state travel to conferences, seminars, and trainings”.

When including the state-specific cost categories, states will need to update or eliminate these directions. To do this:

- Select the cell to be updated
- Select the “Data” tab
- Click on the “Data Validation” option 
- A pop-up reading “The selection contains some cells without Data Validation settings. Do you want to extend Data Validation to these cells?” may appear. Select “Yes”
- Select the “Input Message” tab
- Ensure that the “Show input message when cell is selected” option is checked



- Enter text in the “Title:” field. This will appear in bold, and should be similar to “Tip:” or “Directions:”
- Enter the tip/directions in the “Input message:” field
- Click “Ok”

Completing the Cost Pool Spreadsheet

Workbook Tool Six(a) is the Cost Pool Spreadsheet template. **Rows 2 -30** of the spreadsheet documents costs for the staff participating in the time study. **Rows 41-153** of the spreadsheet documents costs associated with staff who provide support to these workers. The Cost Pool Spreadsheet is formulated to capture total agency expenditures, on a quarterly basis, per staff person listed. Costs include those from all funding sources and all programs.

Documenting Indirect Costs

As discussed in the workbook, states and local entities may have federally approved indirect costs. **If** states choose not to report on indirect costs, the spreadsheet template will need to be modified by removing content in cells A1 and B1, and by deleting rows 8, 32, 82, 89 and 113.

Indirect costs can include costs such as rent, capital costs, insurance, audit fees, etc. If states choose to include indirect rates, they must be approved by a federal cognizant agency, local county government, or developed in accordance with 2 CFR 200¹. It is recommended that records of approved indirect rates be kept on file at the state level.

If the reporting agency has a federally approved indirect cost percentage it should be added to **cell B1**. However, if indirect costs are only applied towards salary, then the percentage should be entered in **cell B8** (in this case you must leave cell B1 blank.)

Row 32, indirect costs, will automatically calculate the indirect cost for each staff column.

Make sure that none of these costs included in the calculation of indirect are included in other rows. If using a standard indirect percentage that includes costs included in one or more of the rows, leave those rows blank to avoid counting these costs twice.

Staff Name, Title and Role

Fill in the appropriate information for each staff person in **rows 2, 3 and 4**. Only staff that have participated in the time study for any portion of each given quarter should be included. Indicate the part time or full time status for each staff in **row 5** by numerical value (e.g. 1 = full time, .5 = part time, etc.)

¹ 2CFR200 allows a 10% de-minimus rate:“... any non-Federal entity that has never received a negotiated indirect cost rate... may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely.”



Direct Costs

The **total, actual expenditures** for the given quarter should be reported in **rows 6-30**. **These rows should identify the total costs for each staff member for the quarter, regardless of funding source.** If costs are reported in the “Other” category in row 30, a brief description of what those other cars are should be provided in row 38.

If it is not possible to track some costs by individual staff member (such as supplies, telephone, etc.), then the agency should develop a reasonable methodology for calculating those costs. For example, if the agency has a telephone contract that bills one total for all staff, then that amount should be divided by the total number of staff using the telephones in the agency in order to calculate the individual total that would be reported on the cost pool spreadsheet.

In rows 34 and 35, enter the amount of encumbered non-federal (i.e. state or local) funds across each staff listed. NWD/ADRC sites must allocate non-federal funds sufficient to match or exceed their quarterly reimbursement claim under Administrative FFP. Row 37 of the spreadsheet calculate the maximum amount of Medicaid-related time for which the ADRC/State Agency can receive reimbursement for based on the total non-federal funds reported (row 36). Ideally, the percent in Row 37 should not be below 100%.

Supervisor and Support Staff Costs

This section of the cost pool spreadsheet captures costs associated with the support staff by multiplying the total costs listed in the bottom half of the spreadsheet (**row 153**) by the percentage of their time that can be attributed to each of the staff participating in the time study (rows 41-79).

Examples of support staff to be included in the spreadsheet appear below:

- Agency Executives/Directors
- Supervisors
- Data administrators
- Administrative staff
- Accountants/Fiscal staff
- Other support staff that are not participating in the time study

To complete this section of the spreadsheet in the following order:

1. Enter the names, titles and roles of each of the support staff in rows 84, 85 and 86.
 - a. When entering the names and titles, the gray cells in the support staff sections (rows 41-78 and rows 115-152) will auto-populate.
2. Enter total, actual costs incurred for each support staff in rows 87-111.
 - a. The indirect cost rates in the yellow cells will auto-populate in this section.
3. Enter the percent of time each support staff has spent with all other support staff



listed in rows 115-151.

4. Enter the percent of time each support staff has spent with each staff person participating in the time study in rows 41-77.

This section of the cost pool spreadsheet (steps 3 and 4 above) allows agencies to assign time provided by support staff to the overall total calculation in row 33. The purpose is to allocate for the costs related to staff who are not participating in the time study. There is a check built into the spreadsheet (cells W115 – W151) that shows the total percentage of each support staff's time. These cells turn red if agencies report more than 100% of the support staff's time.

Selecting Appropriate Staff for Cost Categories

The spreadsheet should include all staff that participate in the time study in the first section. Staff that have a portion of their salary and other costs paid for using federal or other non-matchable funds can participate in the time study and related FFP claiming. However, entities participating in FFP claiming can only receive FFP if adequate matching dollars are available. If staff participate, but not enough of their salary is paid for using matchable dollars, FFP may be reduced.

If a staff person only provides a small amount of support for a claimable activity and spends the majority of time performing other non-claimable tasks, the agency may determine that the level of effort to document activities for that particular staff person does not equate to the reimbursement potential. Additionally, supervisory and administrative support staff who spend a lower than average percentage of Medicaid matchable time with staff participating in the time study should not be included in the sample.