State of Utah

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Utah Department of Health
Division of Medicaid and Health Financing

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Executive Director

Michael Hales
Deputy Director, Utah Department of Health
Director, Division of Medicaid and Health Financing

Rick Platt
Director, Bureau of Financial Services

July 21, 2014

Dear Administrator *and* FCP Preparer:

It is that time of year to prepare and submit your Facility Cost Profile (FCP). The FCP for the fiscal year ending June 30, 2014 **must arrive** in our offices on or before **Tuesday, September 2, 2014 by 6:00 p.m.** **USE THE FORMS FOR FISCAL YEAR 2014.** The instructions and forms for fiscal year 2014 can be downloaded at the following address:

http://www.health.utah.gov/medicaid/stplan/NursingHomes/NhFcpForms.htm

Please e-mail your completed electronic version to dmeadows@utah.gov. Also, send one signed original set of the schedules and supporting documents to:

(Via UPS or FedEx)

David Meadows
Utah Department of Health
Division of Medicaid and Health Financing
Bureau of Financials Services
288 North 1460 West
Salt Lake City, UT 84116

(Via U.S. Post Office)

David Meadows
Utah Department of Health
Division of Medicaid and Health Financing
Bureau of Financial Services
PO Box 143104
Salt Lake City, UT 84114-3104

Failure to submit the FCP on time will result in the withholding of Medicaid payments from your facility. The Utah State Plan Attachment 4.19-D, Section 332 states (bold added):

> The FCP is due two months after the end of the reporting period… The provider may request **a** 15-day extension for extenuating circumstances. The request must be made in writing prior to the due date. The State may grant **a** 15-day extension only when justified. **Failure to file timely FCPs can result in the withholding of payments** as described in Section 720.

If your facility needs to request a deadline extension, please submit your written request via e-mail to my e-mail address.

It is imperative that you disclose all related companies and employees. From CMS Pub 15-1, Section 902.5 we read who is considered a related employee:

> "...the following persons are considered 'immediate relatives': (1) husband and wife; (2) natural parent, child and sibling; (3) adopted child and adoptive parent; (4) stepparent, stepchild, stepbrother, and stepsister; (5) father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, and sister-in-law; (6) grandparent and grandchild."

In addition, the *Code of Federal Regulations (CFR)* states the following:

> 42 CFR 455.101 Definitions:
> "Person with an ownership or control interest means a person or corporation that--
> (a) Has an ownership interest totaling 5 percent or more in a disclosing entity;
> (b) Has an indirect ownership interest equal to 5 percent or more in a disclosing entity;
> (c) Has a combination of direct and indirect ownership interests equal to 5 percent or more in a disclosing entity;
> (d) Owns an interest of 5 percent or more in any mortgage, deed of trust, note, or other obligation secured by the disclosing entity if that interest equals at least 5 percent of the value of the property or assets of the disclosing entity;
> (e) Is an officer or director of a disclosing entity that is organized as a corporation; or
> (f) Is a partner in a disclosing entity that is organized as a partnership."
>
> 42 CFR 455.104(d):
> "Denial of Federal financial participation (FFP). FFP is not available in payments made to a provider or fiscal agent that fails to disclose ownership or control information as required by this section."

If you have any questions about related parties, or if you have general questions about the FCP forms, please contact me at dmeadows@utah.gov or (801) 538-6790.

Sincerely,

David V. Meadows

David Meadows
Medicaid Auditor

cc: Rick Platt, Steven Jones, Travis Lansing