

October 2025

RE: Addiction and Rehabilitation Treatment Service Facility (ARTS)  
Psychiatric Residential Treatment Facility (PRTF)  
Cost Report Request

Dear ARTS/PRTF Provider:

This letter is to request that your Residential Treatment Center submit a cost report to The Department of Medical Assistance Services (DMAS) for the 12-month period that ends during the state fiscal year 6/30/2025. Please use your facility's fiscal year end that ends during the period 7/1/2024 – 6/30/2025. Per Budget Item 288.HH2, "The DMAS shall have the authority to establish rebasing of PRTF rates every three years. The first rebasing of rates shall take effect July 1, 2023. All PRTF and Addiction and Rehabilitation Treatment Services (ARTS) providers who offer qualifying services under 12VAC30-70-418 (c) shall be required to submit cost reports as a part of rebasing".

If you have any questions concerning the cost reporting forms attached to the email, please send your concerns to [ARTSproforma@mslc.com](mailto:ARTSproforma@mslc.com).

MSLC will offer training sessions within the next few weeks on preparing the cost report and documentation needed.

In order to meet filing requirements, a complete cost report package consists of:

- One complete and manually signed copy of (Form 608-25) Medicaid cost reporting form – (Excel and PDF).
- A copy of the working trial balance and/or grouping schedule that supports amounts given on the cost report (Excel preferred).
- A copy of your audited financial statements including, but not limited to, a balance sheet, a statement of income and expenses, a statement of retained earnings (or fund balances) and a statement of cash flows, the auditor's report in which an opinion is expressed, footnotes to the financial statements, and the management report.
- A schedule that reconciles financial statements and trial balance to expenses claimed in the cost report (grouping schedule).
- A schedule supporting the computation of all schedule B-1 cost adjustments/reclassifications.
- A schedule supporting the computation of related party costs/allocations.
- A schedule supporting costs recorded on schedule B-2
- Home office cost report, if applicable
- Depreciation schedule that agrees to amounts reported on the cost report; schedule should include description of assets, cost, date of acquisition, disposals, and depreciable life (if applicable)
- A schedule supporting patient day information (total patient days for Sch A; Medicaid for Sch F, line 2).

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All cost report and requested documentation should be submitted as electronic data in Microsoft Office format (e.g., Excel) or scanned documents in a PDF format. If data is available in some other proprietary format, you must contact Myers and Stauffer prior to sending them to determine if the format is acceptable. Please contact us if you have any questions regarding format or media for secure submission of electronic documentation.

We are able to set up a secure FTP site for file transmission upon request. **PLEASE DO NOT SEND PHI VIA UNSECURE EMAIL** The cost report and documentation is due to Myers and Stauffer by **Friday, November 21, 2025**.

The cost reports will be desk audited by Myers and Stauffer LC, the DMAS cost settlement and audit contractor, within 150 days of a complete cost report filing.

If you have questions about preparing this cost report, please send email to **ARTSproforma@mslc.com**.

If you have further questions, please contact Ann Li at [Ali@mslc.com](mailto:Ali@mslc.com), or Andrea Crump at [acrump@mslc.com](mailto:acrump@mslc.com) or (804)270-2200.

Sincerely,

MYERS AND STAUFFER LC

Andrea N. Crump  
Senior Manager