# 2026 Medicaid Cost Report Changes

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2026 Cost Report Overview

# Two Key Changes for 2026

### PDPM Census Reporting

- Transition to PDPM census reporting begins January 1
- Affects nursing home (NH) reports only
- No changes to census reporting for Basic Care reports

### New Schedule C-6

- Reports salaries, fringe benefits, payroll taxes, and other costs by worker classification
- Required by the Medicaid Institutional Payment Transparency regulations

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# PDPM Census Reporting Transition

Two sets of B-2 census schedules for the 2026 cost report year

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B-2 Series Schedules

## Two Sets of Census Schedules This Year

**RUG Census — B-2aR**

- Covers the first six months: July – December
- Same RUG schedules completed in prior years

**PDPM Census — B-2aP**

- Covers the last six months: January – June
- Classification column is now a drop-down list
- Enter only classifications that occurred during the year

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# Completing the PDPM Schedules

- The new PDPM schedules mirror the prior-year RUG schedules — the key difference is the classification drop-down list
- Enter only the classifications that occurred during the year on Schedule B-2aP
- PBC forms include the full classification list, which can also be typed; an invalid PDPM classification triggers an error message
- Classifications entered on B-2aP carry over to the other PDPM schedules
- Check figures on each B census schedule help you reconcile — days should reconcile by line and in total

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# Census Reporting Deadlines

- **Jul – Dec 2025:** RUG census reported on Schedule B-2aR
- **Dec 31, 2025:** DHS issues final RUG census report
- **Jan – Jun 2026:** PDPM census reported on Schedule B-2aP
- **Jun 30, 2026:** DHS issues final PDPM census report
- 2 Census Reconciliation reports required for the year — one for RUG, one for PDPM

- **July 31, 2026:** All census discrepancies must be resolved — work with LeeAnn Thiel at the State

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# New Schedule C-6

Salaries & Other Costs Detail — Medicaid Institutional Payment Transparency regulations

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## What Schedule C-6 Requires

- Reports detailed staffing costs: salaries, benefits, payroll taxes, and contract staff costs
- Broken out by staff type (RNs, LPNs, aides, etc.) and cost center
- Where possible, amounts come from the trial balance / general ledger, with benefits and payroll taxes allocated appropriately
- When separate employees with defined job titles share one trial balance account, their costs must be broken out on the PBC forms and the GL account identified

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Schedule C-6 Example

## When to Break Out Costs

**Breakout Required**

- Two employees with defined job titles — e.g., a Medication Aide and a Feeding Assistant
- Both salaries recorded in the same trial balance account
- Provide a breakdown of salaries, benefits, and payroll taxes

**No Breakout Needed**

- One employee performing both roles with no specific job title
- All nursing aides separately identified on the trial balance
- Report and allocate the related costs simply as Aides

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## Other Reminders

- **Schedule T (bad debts):** to claim allowable bad debts, complete and submit Schedule T and support to the State by **August 14**
- Copy Eide Bailly or your preparer on the bad-debt email to the State
- Eide Bailly clients: notes are included on the PBC forms to help guide you
- We hope this clarifies expectations ahead of the busy filing season

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# Questions?

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