HHSC Cost Report Supporting-Documents Checklist

A file-building checklist for the records commonly needed to support reported costs, allocations, statistics, and management review.

Provider legal name ______________________	**Program / service** ______________________
Reporting period ______________________	**File owner** ______________________
Prepared by ______________________	**Final review date** ______________________

Build a traceable file
A reviewer should be able to move from a reported amount to the reconciliation, general ledger, transaction detail, and original support without guessing which version was used.

1. Entity, contract, and reporting records

- [ ] Current legal name, assumed names, ownership information, organizational chart, provider numbers, contracts, and applicable amendments.
- [ ] Current program instructions, HHSC notices, required training evidence, STEPS access roles, and internal filing calendar.
- [ ] List of locations, programs, service lines, departments, cost centers, and affiliated entities included in or affecting the report.
- [ ] Prior-period filed report, HHSC correspondence, desk-review questions, adjustments, audit findings, and corrective-action documentation.

2. Final accounting records

- [ ] Final accrual-basis trial balance and full-year general ledger for the reporting entity.
- [ ] Balance sheet, income statement, budget-to-actual report, and account-detail reports used in management review.
- [ ] All year-end and reporting-only journal entries with preparer, approver, purpose, and supporting calculation.
- [ ] Chart of accounts and the final general-ledger-to-cost-report mapping.
- [ ] Reconciliation showing book amounts, reclassifications, exclusions, allocation adjustments, and reported amounts.

3. Cash, revenue, receivables, and liabilities

- [ ] Bank and investment statements and reconciliations for material accounts.
- [ ] Billing, remittance, claims, encounter, census, or service reports supporting revenue and units of service.
- [ ] Accounts receivable and payable aging reports, subsequent receipts or payments, write-off support, and allowance calculations.

- [ ] Debt agreements, lender statements, amortization schedules, leases, guarantees, and covenant calculations.
- [ ] Accrued-expense, payroll-liability, tax, deferred-revenue, and due-to/due-from schedules.

4. Payroll, staffing, and contracted services

- [ ] Employee roster showing title, function, program, location, employment status, and related-party status.
- [ ] Payroll registers, quarterly payroll filings, annual Forms W-2, benefit invoices, payroll-tax support, and general-ledger reconciliation.
- [ ] Time records, time studies, schedules, FTE calculations, or other support for employees working across programs or functions.
- [ ] Independent-contractor agreements, invoices, credentials when relevant, Forms 1099, and evidence of payment.
- [ ] Owner, officer, administrator, director, and management compensation support, including duties and allocation methodology.

5. Facilities, equipment, and operating costs

- [ ] Facility leases, property-tax statements, utility invoices, insurance policies, maintenance contracts, and square-footage support.
- [ ] Fixed-asset register, purchase invoices, placed-in-service dates, depreciation method, disposals, and reconciliation to the general ledger.
- [ ] Vehicle and transportation records, mileage logs, titles, leases, fuel, repairs, insurance, and program-use support.
- [ ] Professional-fee agreements and invoices, including legal, accounting, consulting, management, and technology services.
- [ ] Invoices and evidence of payment for material supplies, food, medical items, program materials, and other significant operating costs.

6. Allocations, statistics, and related parties

- [ ] Written allocation policy and schedule for each shared-cost pool, including the selected base and rationale.
- [ ] Source reports supporting service units, census, visits, square footage, FTEs, labor hours, mileage, revenue, or other allocation bases.
- [ ] Related-party listing, relationship description, ownership or control support, agreements, invoices, payment evidence, and cost analysis.
- [ ] Central-office or home-office schedules, intercompany billings, cost-pool composition, allocation calculations, and elimination entries.
- [ ] Reconciliation proving that allocated costs equal the source pool and that reported statistics agree to operational records.

7. Submission and retention file

- [ ] Final management-reviewed cost report or collection export.
- [ ] All attachments uploaded through STEPS, named consistently with the final document index.
- [ ] Certification, submission confirmation, timestamps, and a copy of the exact filed version.
- [ ] Post-submission questions, responses, revised schedules, and evidence supporting any accepted change.
- [ ] Retention note identifying the secure storage location, responsible owner, access restrictions, and applicable retention period.

Suggested support index

Ref.	Document	Period	Owner	Report line / purpose	Status

Official sources to verify

HHSC Provider Finance Department
HHSC Cost Report Information
HHSC Program-Specific Instructions and Resources
HHSC STEPS Transition Information

Need help preparing for Texas HHSC financial reporting?
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