



**Center for Clinical Standards and Quality/Survey & Certification Group**

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**Admin Info: 14-16-ALL**

**DATE:** February 28, 2014

**TO:** State Survey Agency Directors

**FROM:** Director  
Survey and Certification Group

**SUBJECT:** Fiscal Year (FY) 2013 End of Year Closeout Process

**Memorandum Summary**

- **2013 Budget Forms Overdue:** The Centers for Medicare & Medicaid Services (CMS) form CMS-435 titled Cumulative Budget Expenditure must be completed 60 days after the end of the FY (i.e., November 30, 2013 for FY 2013).
- **Final Close-out March 31, 2014:** States that still have not provided the necessary information by close of business March 31, 2014 will not be eligible for any of the first installment of available supplemental funding for FY 2013 (i.e., funds that are redistributed from States that did not spend their entire allocation in FY 2013).

State Operations Manual (SOM), section 4642C, specifies that the CMS-435 Cumulative Budget Expenditure form is to be completed 60 days after the end of the FY (i.e., November 30, 2013 for FY 2013). This requires State Agencies to complete their CMS-435 Cumulative Budget Expenditure forms, have the forms entered into the automated system, and have all approvals completed.

We are finalizing the FY 2013 Survey & Certification (S&C) budget closeout process now. Timely close out is important for many reasons. One is that some States that incurred bona fide survey costs in excess of their S&C allocation rely on the closeout to determine whether they can receive supplemental funding made available because other States did not spend their entire allocations in FY 2013.

We are also requesting that as States fill in these Cumulative budget forms, special attention is paid to ensure that all fields are filled in accurately. Pay particular attention to the Staff Year calculations in columns A, C and D on the CMS-435 form as this information is used in multiple different budget exercises and may have a negative impact on the State if not properly filled out. As an additional note to the Regional Office budget contacts, please ensure that your States have filled in all of the appropriate fields on the CMS-435 form before granting a Regional Office Approval in the online budget system.

On April 1, 2014 we will conduct a first review of the closeouts which have been submitted and approved by the Regional Offices. State Agencies that have not provided their CMS-435 cumulative budget expenditures in final form by COB March 31, 2014 (i.e., for the FY 2013 cumulative) **will not** be eligible for any supplemental funding from funds that might have been

unspent by other States who have submitted their documents for the FY 2013 time period to date. We will make a final closeout sweep of funds by May 28, 2014 which may provide the availability of additional funds to those States that do not meet the March 21<sup>st</sup> deadline, but there is no guarantee of such availability. Thank you for your attention to this.

If you have any questions or concerns about this request, please contact David Escobedo at [David.Escobedo@cms.hhs.gov](mailto:David.Escobedo@cms.hhs.gov) or Bary Slovikosky at [Bary.Slovikosky@cms.hhs.gov](mailto:Bary.Slovikosky@cms.hhs.gov).

/s/

Thomas E. Hamilton

cc: Survey and Certification Regional Office Management