

Rule No. 560-X-42-.10 Travel Expense

(1) Travel that is necessary and that is directly related to the operation of the ICF/~~MR~~IID facility claiming reimbursement for the expense will be an allowable cost for reimbursement purposes pursuant to the following specific provisions.

(a) Automobile (This section (a) does not apply to State owned and operated facilities). The reasonable costs of automobile travel necessary for the maintenance of resident care shall be considered for purposes of reimbursement to facilities owned and operated by the State.

1. Since the form of vehicle ownership, the type, and the number of vehicles utilized will vary depending on a facility's specific needs, reimbursement will be based on a standard mileage rate and will be limited to mileage which is documented by log entries prepared in accordance with either of the attached sample logs. (See Schedules 10A and 10B found at the end of this Chapter.)

All log entries must be made at the time of travel, and log entries will be subject to verification during audit. Failure to timely and accurately account for travel mileage will result in a disallowance of this cost.

2. Commuting mileage between the commuter's residence and the ICF/~~MR~~IID facility is not allowable mileage for reimbursement purposes. (See Schedule 10A at the end of this chapter.)

3. The standard mileage rate is as follows: The IRS mileage rates in effect on January 1 of the calendar year in which the cost report is filed. These rates will be applied on a per provider basis regardless of the number or type of vehicles used. (See Schedule 13-B at end of chapter.)

In addition to the mileage rate listed above, up to \$1,000.00 in actual operating costs (i.e., gas, oil, upkeep) per vehicle may be reimbursable. Medicaid will also allow depreciation of the cost of a new vehicle. Depreciation must be on the Straight line method for five years. There will be no additional reimbursement in those instances in which the facility auto is used for commuting purposes of the administrator or non-resident care related activities. To qualify for this additional allowance, the facility must own a vehicle, the vehicle must be used only for purposes of resident care, and actual operating expenses must exceed the computed mileage allowances. In no instance will the facility be allowed to claim more than the standard allowance plus the \$1,000 (if computed allowance is less than operating cost) or actual operating costs, whichever is less.

Examples:

Facility Owns Vehicle	Medicaid Mileage Allowance	Actual Operating Expense	Allowance
Yes	\$ 2,325	\$ 2,115	\$ 2,325
Yes	2,325	4,125	3,325
Yes	2,325	2,765	2,765

If the facility does not own a vehicle, reimbursement will be limited to actual payments to employees for use of their personal automobiles for documented facility business, provided that such reimbursements do not exceed the allowable rates. (IRS guideline)

4. No additional reimbursement in excess of \$1,000.00 will be recognized for any other automotive-related cost. Those additional costs which will not be recognized include, but not limited to:

- (i) Insurance
- (ii) Interest on automotive loans
- (iii) Lease/rental expense
- (iv) Taxes and tags
- (v) Return on equity

5. No reimbursement will be made or considered for unusual or impractical vehicles, which include but are not limited to aircraft, motorcycles, farm equipment and other vehicles not necessary to the efficient operation of the facility.

(b) Other travel

1. Costs of travel to out-of-state conventions or association meetings will be limited to those reasonable costs incurred by a facility for two trips during each fiscal year. If the facility bears the expenses of two persons attending the same convention or association meeting, such attendance will be counted as two trips.

2. Transportation expenses in or out-of-state will be limited to the ordinary and necessary costs of transportation, food, lodging, and required registration fees.

3. Whenever out-of-state travel could be accomplished at a lower cost by utilizing air travel, reimbursement will be limited to the costs which would have been incurred if such air travel had been utilized and the costs normally incident to such air travel (meals, lodging, etc.).

4. No travel expenses of a non-business nature will be reimbursed.

5. Travel which requires an overnight stay must be documented by a travel voucher which includes the following:

- (i) Date
- (ii) Name of person
- (iii) Destination
- (iv) Business purpose
- (v) Actual cost of meals and lodging

(Lodging must be supported by invoices, meal receipts must indicate number of meals served for any meal in excess of \$10.00).

(vi) Air, rail and bus fares (supported by an invoice)

6. Costs incurred in travel outside the United States will not be reimbursed.

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Statutory Authority: State Plan; Title XIX, Social Security Act; 42C.F.R., Section 447.250-.255.

History: Rule effective October 13, 1988. Effective date of this amendment July 13, 1993.

Amended: Filed March 21, 2017