

Online UDS Trainings Module 6 – Financial Costs – 8A

Slide 1 – Welcome

Welcome to Module 6 of the Bureau of Primary Health Care's 2009 Uniform Data System training. This is the sixth in a series of 9 modules which describe the reporting requirements and step-by-step instructions for completing your 2009 UDS Report.

Slide 2 - Financial Costs: Table 8A

This module provides step-by-step instructions for completing Table 8A.

Slide 3 - Table 8A – Financial Costs

Table 8A reports costs by cost center. Cost centers include medical, dental, mental health, substance abuse, pharmacy, other professional and enabling. You will notice that the cost center categories seen on this table match the service categories reported on table 5. Column a reports direct costs by cost center. Column b is used to allocate overhead costs reported on Lines 14 and 15 for facilities and administrative costs to cost centers. Column c is the sum of direct and indirect costs for each cost center.

Slide 4 - Table 8A - Lines 1 – 10

The medical cost center is reported differently than other cost centers. Staff costs including salary and benefits for clinical staff reported on Table 5 Lines 1-12 are reported on Line 1. Salary and benefits for lab and x-ray staff reported on Table 5 Lines 13-14 are reported on Table 8A Line 2. All non-salary direct medical costs are reported on Table 8A Line 3. This is the only cost center that separates out staff and non-staff costs.

The other clinical cost centers including dental, mental health, substance abuse and other professional report salary and non-salary direct costs together.

This table won't tie exactly to your financial statements as it's not a complete picture, but it should tie to the data reported on other tables within the UDS.

Slide 5 - Table 8A - Lines 8a/8b Pharmacy

Pharmacy costs are reported on lines 8a and 8b. Drug costs are reported on line 8b while all other direct pharmacy costs are reported on line 8a. Pharmacy Assistance Personnel should not be reported on the pharmacy line and should instead be reported under enabling services. Pharmacy technicians and pharmacists should be reported on line 8a. Handling fees associated with the pharmacy should also be reported on line 8a if you are able to break them out. If you're not able to break out handling fees, include them on line 8b with pharmaceuticals. Do not include the value of any donated drugs on line 8b, donated drugs should be reported on line 18 at the 340b value. If you do not have access to 340b pricing information, report your donated drugs at a value of 40 to 60% discounted off of the wholesale value. All other donated services, supplies and personnel expense are reported on line 18 as well.

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Slide 6 - Table 8A - Lines 11a -13

Salary and direct costs for each enabling service are reported on lines 11a to 11g.

Line 12 of Table 8A is used to report costs for non health-care services such as WIC, job training, housing, and other basic needs services. This line includes expenses associated with non-traditional services provided through the health center that are not necessarily clinical in nature, but instead are associated with helping patients to meet basic needs. Table 8A Line 12 corresponds with staff reported on Table 5 Line 29a. Additionally, line 12 is used to report pass through funds for which the health center does not report any other activity including revenues, utilization, and staffing.

Slide 7 - Table 8A - Lines 14 –16 Overhead

Facilities related costs are reported on Line 14. These include rent or depreciation, interest payments, utilities, security, janitorial services, maintenance, etc. Do not include any Capital Improvement Program direct costs, but do include any related depreciation.

Line 15 reports other administrative costs including personnel costs for corporate staff, secretaries, billing and collections, medical records, IT and receptionists as well as other direct administrative costs such as supplies, equipment, depreciation, travel, etc.

Slide 8 - Table 8A – Financial Costs related to Table 5

Before allocating overhead costs, check to make sure that all lines on table 8A have been reported correctly and that they are consistent with what was reported on table 5. If different people are completing the various tables, then coordination is key. The table on this slide shows how table 5 is related to table 8A and outlines where the FTEs reported on table 5 belong on table 8A. It's extremely important to remember that table 5 needs to be consistent with 8A reporting by cost center and this table can help as a tool to accomplish accurate reporting across tables.

Slide 9 - Allocation of Overhead

Now that we've reported our costs and checked them for accuracy, we're ready to begin allocating our overhead costs. The total administrative costs on Line 16 are allocated to cost centers in column b. There is no required methodology for allocating overhead costs to cost centers. Various strategies are recommended for accurately allocating overhead costs on the following slides.

Slide 10 - Allocation of Overhead – Facility

Facility costs should be allocated first as a portion of facility costs will be allocated to the administrative cost center. The traditional method of allocating facility costs is to allocate to cost centers based on total square footage. It is recommended that each facility be allocated separately since costs may vary across facilities. Be sure to update the square footage assigned to services with any renovations or additions to facilities. There are some common

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modifications. If for example there are actual separate buildings for various service categories, then the entirety of facility costs associated with that building should be allocated to that service category. Similarly, if there have been major renovations associated with a specific cost center, allocate facility costs accordingly.

Slide 11 - Allocation of Overhead – Admin

After you've allocated facility costs, you are ready to allocate administrative costs. Administrative costs can be allocated proportional to direct costs. A more accurate method is to allocate any administrative costs directly to the applicable cost center first. For example, decentralized registration staff that support the medical department are allocated to the medical cost center. Medical records staff are allocated to those cost centers that use the medical records.

Slide 12 - Allocation of Overhead – Admin

Billing staff are allocated to those cost centers which require billing services such as medical and dental but not enabling services which are not billed. Billing staff can be allocated proportional to claims processed. When allocating costs proportionally, pay particular attention to cost centers which don't utilize administrative functions at a high rate. For example, some large costs such as pharmaceuticals, contracted services and depreciation are best allocated a relatively small overhead amount which is more proportional to the administrative burden of these activities.

Slide 13 - Cross Table Issues

As has been mentioned previously, Tables 5 and 8A must be reported consistently such that the staff listed by cost center on Table 5 are consistent with the costs reported by cost center on Table 8A.

Donated supplies, personnel and space are reported on Table 8A Line 18 ONLY.

Be sure to complete all specify boxes in completing Table 8A.

Slide 14 -Thank You

Thank you for viewing this module. If you are interested in learning more about the UDS reporting requirements and step-by-step instructions for completing the UDS tables, please be sure to visit the other modules available online.

Slide 15 – Module 6 Quiz/Survey

Now that you've viewed module 6, let's see how much you've learned! Please take a few moments to complete a short quiz. To access the quiz, click on the link on this slide. Your participation will help to show how well you understand the content of this module, and will help us to improve our training program for next year.