

## Table 8A: Financial Costs

Welcome and thanks for joining me today to learn about Table 8A: Financial Costs.

Please click START to continue.

## Welcome

I'm Kelly, your UDS Report expert, and I am here to help you complete Table 8A.

This table is important because it helps HRSA understand how costs are allocated to provide critical services.

## Introductions

Let's start with introductions.

- If you'd like, please let me know who you are by typing your name in the box. This information is just used as we interact during this session and is not saved.
- If you don't want to enter your name, just click **Sign In**.

## Get Started or View Navigation

If you've been here before and know how to use the navigational features, you can go straight to the training by clicking on the **LET'S GET STARTED button**.

If you'd like to learn more about our training's navigational features - click on the **HOW TO NAVIGATE button** to continue.

## Navigation: Table of Contents & Transcript

Before I go on - if you are interested in hearing the audio narration, please be sure to adjust your computer speakers so that you can hear me.

If you would like to read the transcript, you can see it over here in the "TRANSCRIPT" tab on the LEFT of your screen.

Also ON THE LEFT of the screen, you'll see a tab that says "TABLE OF CONTENTS." You can use this tab to go anywhere you want within this course. You may find it useful if you want to review something specific about Table 8A. In that case, you can just click on any of the topics listed and jump to that particular section of the course. If you would like an overview that covers all the topics, just stick with me.

## **Navigation: Play, Previous, Next**

AT THE BOTTOM of the screen, you'll see a control bar with navigation controls and buttons that will let you adjust your viewing experience:

- If you want to stop the video, just hit the play button once (to pause), then hit it again to resume.
- You can also slide the progress bar to the left if you would like to repeat some of the material, or slide it to the right to jump ahead.
- To go to the slide just before or to proceed to the next slide, use the buttons to the right of the control bar labeled "PREVIOUS" and "NEXT."

## **Navigation: Resources, Main Menu, Exit**

There are several links AT THE TOP RIGHT of your screen:

- If you click on the RESOURCES link, you will see additional files and links to websites that will help you in completing your Report. You can also download a copy of the Transcript here;
- If you click on the MAIN MENU link, you can return to the UDS Learning Center's library; and
- When you're done, click on the EXIT link, and you will exit the course entirely.

## **Navigation: Icons**

Throughout the course you will see icons that you can click on to:

- View or print the UDS tables;
- Refer to the UDS Manual;
- See helpful hints that should help you with your UDS Report; or
- Take you to a Case Study example to see how all of the UDS data works together.

One last thing before we begin - if you need to leave this training early and return to it later, you can do that. When you come back next time, we will remember where you left off and ask you whether you want to continue from there or start again from the beginning.

I think that covers the details about how to move through the course. Let's get started!

## **What is Table 8A?**

As we start, if you would like to see a close-up of this table, please click on the VIEW THE TABLE icon IN THE LOWER RIGHT OF THE SCREEN to view (and even print out) Table 8A. You may find it helpful to have it available to you as we go through the training.

So, what is Table 8A?

## **What is Table 8A?**

Table 8A is one of the tables that makes up the Financial Profile for the UDS Report.

This table is completed by all health centers each year as part of their Universal Report.

## **What is Table 8a?**

Table 8A covers the total cost of all activities that are within the scope of the project(s) supported, in whole or in part, by any of the four BPHC grant programs covered by the UDS OR the look-alike designation OR the scope of the BHW primary care clinic program.

Look-alike agencies will report on costs associated with the program(s) associated with the look-alike designation. In other words, if the entire agency is designated as a look-alike, the reporting of costs will cover the activities of the entire agency. However, if only a portion of an agency (e.g., only one of their sites) is a designated look-alike - then the reporting must accurately reflect the partial designation; that is, report only on that portion of their agency that is designated as a look-alike.

## **Why are these data important?**

As with all of the information you provide as part of your UDS Report, the data you provide on Table 8A is very helpful to BPHC and BHW and to your communities. A yearly accounting is a healthy check-up for everyone. It helps HRSA be accountable to the public, especially to Congress and to the stakeholders your programs are intended to serve.

More specifically, we use data from Table 8A to determine:

- Total cost of services per patient and per visit; and
- When considered with data reported on other Financial Tables (like 9D and 9E), data reported on Table 8A can be used to conduct a cash flow analysis and to determine charge-to-cost ratios.

This information can be useful to health centers as well. For example, as you compare data across the years, you can see easily where costs have increased or gone down, how well you're recovering costs, and where you may need to manage costs. Having data readily at hand can also be used to communicate with potential funders and other stakeholders.

Ultimately, how you use the information is up to you. Just don't forget that this powerful resource is available to help support your work!

## **How can this training help me?**

We're aiming to help you feel confident that you're on top of this one and that you can avoid all the common errors we see each year.

## **How can this training help me?**

At the end of this training, we hope that you will be ready to:

- Report direct and indirect costs for each of the cost centers and allocate non-clinical costs to the appropriate cost centers, and at the appropriate rate;

## **How can this training help me?**

- Calculate the value of and report donated services, facilities, and supplies accurately;

## **How can this training help me?**

- And, check for reasonableness of information reported on Tables 5 (Staffing & Utilization) and 8A and correct or provide an explanation, if needed.

Ready to start? We're off!

## **Rate your level of confidence with Table 8A**

Before we get into the details of this session-let's hear from you! Based on your experience last year, tell us how confident you feel about reporting Table 8A by choosing one of these options. If this is your first year completing this table-there's an option there for you as well. Would you say...

- 1)** We're feeling pretty confident-we always ace this one!
- 2)** We're feeling pretty good about it-last year our Reviewer checked with us on this one, and we were able to explain or correct the data pretty easily.
- 3)** We could use more help-last year we really struggled with this table; or,
- 4)** We're new to this-this is our health center's first time submitting the UDS report.

### **We're Confident RESPONSE**

**Excellent! Then this training will be a helpful review for you.**

### **We're Good RESPONSE**

**Great! We'll work together today to help you submit an accurate Table 8A!**

### **We Need More Help RESPONSE**

**Well then, you're in the right place! We hope to cover all of your questions here today.**

### **We're New RESPONSE**

**Welcome! Let's see if we can help you do this table right the first time!**

## Key Terms

Let's start by touching on some key terms that are important for understanding this table.

- First is a basic, but important, question: “What **is** a cost center?” Well, you might remember that, on Table 5, you reported FTEs by **major service categories**; on Table 8A, these “major service categories” are now referred to as “cost centers.” That means that, once you've got Table 5 done, you've got a head start on Table 8A! As you can imagine, it is very important that the two tables be consistent. So, if two different people are completing each of the tables, you'll want to make sure they are coordinating closely with each other! We'll talk about this again later, and provide you with a resource that will help you report consistently across tables.
- On Table 8A, you will be reporting all costs on an **accrual basis**. This means that you'll report costs (including depreciation) attributable to the reporting period, **regardless of when actual payments were made**. This is the opposite of cash accounting, which includes transactions only when cash actually changes hands.
- And when reporting costs on this table, you will only report costs for the UDS reporting period, which is based on the calendar year. If your fiscal year doesn't correspond to the calendar year - you will simply need to convert it to the calendar year for reporting. The UDS Manual shows you how to convert costs from fiscal to calendar year. Click on the **VIEW THE UDS MANUAL ICON** to see that information.

## Joe's first statement

*(Pick One, 10 points, 1 attempt permitted)*

Let's take a break to see what your new assistant, Joe, learned when listening closely to this overview of Table 8A.

For each statement, indicate if you think Joe is correct or incorrect. Joe's first statement is:

Look-alikes don't have to complete this table.

**Answer: Incorrect**

**Feedback when correct:**

This is indeed correct. Look-alikes DO report Table 8A.

**Feedback when incorrect:**

Sorry, this is incorrect. Look-alikes DO report Table 8A.

## **Joe's second statement**

Joe also tells you that reporting is based on the Fiscal Year. Is he correct or incorrect?

**Answer: Incorrect**

**Feedback when correct:**

Joe has this one wrong. Reporting on Table 8A is based on the calendar year.

**Feedback when incorrect:**

Sorry, Joe has this one wrong. Reporting on Table 8A is based on the calendar year.

## **Joe's third statement**

Finally, Joe explains that the cost centers in this table are related to the major service categories on Table 5.

**Answer: Correct**

**Feedback when correct:**

Joe has this one right! The major service categories on Table 5 are categorized as "cost centers" on Table 8A. So, medical staff FTEs reported on Table 5 will be reported in the Medical Care cost center on Table 8A.

**Feedback when incorrect:**

Joe has this one right! The major service categories on Table 5 are categorized as "cost centers" on Table 8A. So, medical staff FTEs reported on Table 5 will be reported in the Medical Care cost center on Table 8A.

## **Table 8A:**

### **Step-by-step Instructions**

Thanks for clarifying those summary points from Joe.

Now let's take a closer look at Table 8A together.



## Table 8A: Rows

First, let's get a sense of how Table 8A is organized - starting with the rows and cost centers. We mentioned earlier that you will report costs on this table, by **cost center** - the cost centers are represented by the four main categories you see here on Table 8A:

- Medical Care;
- Other Clinical Services;
- Enabling & Other Services; and
- Facility & Non-Clinical Support Services.

As we move on, we'll show you what does and doesn't go in each of the cost centers. The lines (or rows) in each of the cost center is where you'll report costs associated with each personnel or service type and provide totals by cost center. We'll walk through each of these lines together today and we'll give you some information about who should be included for each line on Table 8A - but, to find specific definitions about who (and what) should be included on each of the lines on this table - click on the VIEW THE MANUAL ICON.

Throughout the course, remember that what you reported for staff on Table 5 must be consistent with costs by cost center on Table 8A. We'll be sure to remind you whenever we can.

### Did you know: A

Access the crosswalk for Tables 5 and 8A by clicking on the Resources link in the UPPER RIGHT of your screen. You can print it out from here - but also know that this is included in the UDS Manual as well!

You might find it handy to have available when completing Tables 5 and 8A. It clearly lays out where the information reported on Table 5 will have costs reported on Table 8A. Nice little resource - wouldn't you say?

### And now, the Columns...

You will report three things in the columns on Table 8A:

- First, in column a, you'll report the accrued direct costs associated with each of the cost centers/services listed;
- Second, in column b, you'll report the indirect costs for each of the cost centers/services, which is comprised of facility and non-clinical support services. We'll come back to this later, but for now, just know that you'll get this figure by allocating the cost of facilities and non-clinical support services you identified on Lines 14 and 15 to each cost center; and
- Third, in column c, you will total columns a and b and report the total cost for each line.

## What do I include in Column a?

Let's start with the first column on Table 8A and talk about what you should include there.

## What do I Include in Column a?

On Lines 1-13, you will report accrued direct costs associated with each of the cost centers listed. Column a also reports the total cost of facility and non-clinical support services separately on Lines 14 and 15 and we'll talk more about those later.

## Exclude from Column a

Bad debt is not reported anywhere on Table 8A.

And, though donated facilities, supplies, and services will be reported on Table 8A, they will not be reported in any of the figures reported in column a. The value of all donations will be reported later, on Line 18.

## Line 18: Donated Facilities, Services, Supplies

As we just mentioned, the value of all donations will be reported on Line 18 (Value of Donated Facilities, Services, and Supplies). You'll notice that there is an instruction to "specify" what you're reporting on that line; be sure to include information to indicate what the donated facility, service, or supplies are.

## Column a: Non-Clinical

I briefly mentioned Lines 14 and 15 a minute ago. You'll report slightly different information in column a for Lines 14 (Facility) and 15 (Non-clinical support services). On those lines, you will report the total cost of facility and non-clinical support services on each line. You'll know that something is different, because if you look at this section of the table, you'll see that those lines only have one column that is not grayed out.

- Line 14's Facility Costs include rent and/or depreciation, facility (mortgage) interest payments, utilities, security, grounds keeping, facility maintenance and repairs, janitorial services, and all other related costs. Remember to report the depreciation of major renovations or equipment, not the gross cost.
- On Line 15, Non-Clinical Support Services costs include the cost of all non-clinical support services staff, billing and collections staff, medical records and intake staff, and the costs associated with them including but not limited to, supplies, equipment depreciation, travel, etc. The senior administrative staff (e.g., CEO, CFO, COO, HR Director and others) and their staff and supportive services are included in this category. Other corporate costs like the purchase of insurance, audits, legal fees, Board of Directors' costs, etc., are also included here. And one more thing-the cost of all patient support services, like medical records and intake, should be included here as well.

## Column b: Indirect Costs

Great, now that you have a general idea of how to report direct costs in column a, let's take a closer look at column b - where you'll allocate indirect costs to cost centers. We'll talk about exactly how to allocate these indirect costs, once reported in column b, later in the training.

### What do I include in Column b?

The “indirect costs” I'm referring to are the **facility** and **non-clinical support services** costs you reported in column a, on Lines 14 and 15. If you remember, we mentioned that the amounts reported on Lines 14 and 15 will be totaled and reported as one figure on Line 16 (Total Facility & Non-Clinical Support Services). It is the amount on Line 16 that you will use to allocate indirect costs to each of the direct cost centers, in column b.

On Lines 1-13 (medical services, other clinical services, enabling & other services) - you will use column b to report the allocated indirect costs for each line. I'll cover how you will allocate facility and non-clinical support services costs separately, discuss the different methods for doing so, and detail what is included in each a bit later in this training.

### Column c: Total Cost

Once you've completed columns a and b - so, you've reported the direct and indirect costs for each line and cost center - all you have to do is add the amounts in columns a and b together and report the total in column c!

## Column b: Indirect Costs

Great, now that you know what is reported in each of the columns on Table 8A - let's talk about how you will report information for each of the four cost centers.

A couple of things before we begin:

- As we go through each of the lines on Table 8A - we'll talk about what you'll include for costs in column a (direct costs). How you'll calculate indirect costs (those you'll report in column b) will be a little different - so we'll talk about different strategies on how to do that a little bit later.
- Also, to illustrate certain learning points, I will show you data from a fictional health center, the North Side Health Center.

OK, let's get started!

## Lines 1-4: Medical Care

The first cost center on Table 8A (Medical Care) includes costs for medical care personnel (including salaries and fringe benefits), services provided under agreement, X-ray and laboratory, and other direct costs attributable to medical care.

- You will not include costs associated with anything other than medical care here. So, costs related to pharmacy, dental, substance abuse, mental health, vision, or enabling services will not be reported under the medical care cost center category. And, for the purposes of the UDS, psychiatry and ophthalmology are not counted in the medical cost center either.

## Reporting Medical Care Costs

Information in the medical care cost center is reported a little differently than the other cost centers on Table 8A. “How?” you ask? Well, let me tell you.

- The medical care cost center is the only place where you will report salary and non-salary costs on separate lines.
- In the other clinical cost center lines (like dental, mental health, substance abuse, and other professional) - you'll report both salary and non-salary costs together.

Since the medical care cost center is a little different than the others, let's walk through it together to make sure it makes sense.

## Lines 1-3: Salary & Other Costs

We'll start by talking about how you will report the costs related to salary, benefits, and other costs in column a for Lines 1-3.

On Line 1 (Medical Staff) you'll report:

- **Only** the cost of salary and benefits for medical staff (again, excluding psychiatrists and ophthalmologists). Dedicated QI, including HIT/EHR informatics staff costs are excluded here and reported on line 12a

On Line 2 (Lab & X-ray) you'll report:

- **All** medical lab and X-ray costs.

And, on Line 3 (Medical/Other Direct), is where you'll report:

- **All** non-salary direct medical costs.

### **Line 3: Medical & Other Direct**

So, the first two lines probably make sense; but you might be wondering what falls into the “medical/other direct” category on Line 3. Well, these are the costs we mentioned at the start of the training. These would be costs related to delivering medical care, that are not included in salary and benefits; including things like: medical supplies, equipment depreciation, continuing education costs, laundering of uniforms, staff recruitment, and so on.

This is where you'll also count non-staff costs related to your EHR system. Things like the depreciation on the software and hardware and training costs.

### **Reporting Line 1**

Let's be a little more specific about each of these lines - starting with the Medical Staff (on Line 1).

Who should you include? We've mentioned this a couple of times today - but, it's an important point, so I'll say it again - who you report as medical staff on Line 1 (on Table 8A), directly relates to the staff you reported on Table 5. And, remember, the UDS Manual provides you with a crosswalk showing you where to report Table 5 staff, on Table 8A.

### **Include on Line 1**

In addition to looking at the corresponding lines on Table 5, on Line 1 (in column a) you will want to include costs associated with:

- All medical care staff - employees or contracted - including physicians, nurses, medical assistants, and so on.
- Interns or residents; and
- Vouchered or contracted medical services. Something you might want to include here would be the cost of an at-risk or specialty care medical visit that was paid for by your health center.

## **Exclude on Line 1**

In column a on Line 1, you will **NOT** include costs related to:

- Lab and X-ray staff - we have a special category for them on Table 8A.
- HIT/EHR or dedicated QI staff

Also exclude costs related to:

- Intake;
- Medical records; and
- Billing & collections.

Those are considered non-clinical costs and will be reported as such on Line 15; and allocated to Line 1 (in column b) later.

## **What about us?**

“Wait, what about us? We're providers, too!”

We haven't forgotten about you - dentists, optometrists and ophthalmologists, pharmacists, and psychiatrists all have their own lines on Table 8A. Don't worry - we'll get to you shortly.

## **Line 2: Lab and X-Ray**

Continuing down the rows on Table 8A, on Line 2 (in column a), you'll report all medical lab and X-ray costs.

Remember, in regards to the staff you report here, these are the same staff you reported on Table 5 (Lines 13 & 14).

## **Include on Line 2**

Similar to the guidelines for the medical staff line - you'll be sure to include all costs associated with:

- Medical lab and X-ray staff (employees or contractors);

But you'll also include costs related to:

- Supplies;
- Equipment depreciation; and
- Vouchered or contracted lab and X-ray services.

## **Exclude on Line 2**

And, just like the medical costs - in column a on Line 2, you will **NOT** include costs related to:

- Intake;
- Medical records; and
- Billing & collections.

Those are considered non-clinical costs and will be reported as such on Line 15; and allocated to Line 2 (in column b) later.

## **What about dental labs & X-rays?**

Sorry, doctor - we haven't forgotten about dental labs and x-rays - those go on a different line.

### Line 3: Medical/Other Direct

On Line 3 (in column a) - you'll report all non-salary direct medical costs. Well, almost - you'll report all of the non-salary related costs other than lab and x-ray costs that we just reported in column a, on Line 2.

So, what kinds of things **do** I include (in column a) on Line 3? Some examples include:

- Medical supplies;
- Equipment depreciation;
- Continuing education costs for medical providers;
- Travel;
- Laundering of uniforms;
- Staff recruitment;
- Professional group membership fees; and
- Books and journal subscriptions.

You can also count the cost of an EHR system on Line 3, including:

- The depreciation on the software and hardware;
- Training costs;
- Licensing fees;
- And so on.

Don't worry about remembering all of the things I just listed. First of all, this is not an exhaustive list - you may find other things that might be reported on these lines. If you have questions about where to report a particular expense - feel free to contact the UDS Helpline. We'll be sure to give you their phone number at the end of the course.

### Line 4: Total Medical Care

Once you've reported information on Lines 1-3 - all you have to do on Line 4 is total those figures; then you're done with this column of the Medical Care cost center.

### Knowledge Check: Medical Care

That was quite a bit of information to take in. Let's take a quick break and see what you've learned about the medical care cost center before we move on.

### Who (& What) Goes Where?

On the next few slides, click on where you think each of these costs would be reported in the medical care section of Table 8A. If you do not think it belongs in either column, on Lines 1-3, just click **DOES NOT GO IN THIS SECTION OF THE TABLE**.



## Who (& what) goes where?

OK, let's get started with this first one. On which of these lines and in which column would you report:

- The costs associated with an intern on the medical staff who serves through a contract with a local hospital?

**Answer: Medical Staff Line 1**

### Feedback when correct:

You're right. Any costs associated with medical interns, paid either directly or through their teaching institution, are reported on Line 1 (Medical Staff).

### Feedback when incorrect:

Oh no, sorry. Remember, you will need to report costs associated with medical interns, paid either directly or through their teaching institution, on Line 1 (Medical Staff).

## Who (& what) goes where?

Great, let's try another; where would you report costs associated with:

- Dental X-ray services?

**Answer: Does not go in this section of the table**

### Feedback when correct:

Very good! Only costs associated with X-rays for medical services are reported on Line 2. Costs for dental X-rays will be reported on the dental cost center line.

### Feedback when incorrect:

Oh, sorry - no. Only costs associated with X-rays for medical services are reported on Line 2. Costs for dental X-rays will be reported on the dental cost center line.

## Who (& what) goes where?

And, where would you report:

- Staff cost for a psychiatrist?

**Answer: Does not go in this section of the table**

### Feedback when correct:

You're right. Though psychiatrists are physicians, their costs are not reported in the medical care cost center. Psychiatrists will be reported under mental health costs.

### Feedback when incorrect:

Sorry, no. Though psychiatrists are physicians, their costs are not reported in the medical care cost center. Psychiatrists will be reported under mental health costs.

## Who (& what) goes where?

And, the last one. Where, on this portion of Table 8A, would you report:

- Donated medical supplies?

**Answer: Does not go in this section of the table**

### Feedback when correct:

You got it! The value of all donated services, facilities, and supplies within the scope of your project should not be reported in column a on any line of Table 8A. Instead, those costs will be totaled for all cost centers and reported as one figure in column c, Line 18 (Value of Donated Facilities, Services, & Supplies).

### Feedback when incorrect:

Sorry - that's not right. The value of all donated services, facilities, and supplies within the scope of your project should not be reported in column a on any line of Table 8A. Instead, those costs will be totaled for all cost centers and reported as one figure in column c, Line 18 (Value of Donated Facilities, Services, & Supplies).

## Lines 5-10: Other Clinical

OK, now we're ready to move on to the second major cost center - Other Clinical Services. The Other Clinical Services cost center is where you'll report the costs associated with providing:

- Dental;
- Mental health;
- Substance abuse;
- Pharmacy;
- Vision; and
- Other professional services at your health center. Some examples of what you might report for other professional services would include: chiropractors; naturopaths; occupational and physical therapists; speech and hearing therapists; and podiatrists.

## Line 5: Dental

Starting with the first row in the cost center - Line 5 (dental). This is where you will report costs related to the provision of dental services. Remember, for right now, we're just talking about what direct costs you will report in column a.

On Line 5 (in column a), you'll report costs related to:

- Salary & benefits;
- Supplies & equipment depreciation;
- Travel;
- And **dental** lab & X-ray.

When reporting staff - remember, that these are the same dental staff you reported on Table 5 (Lines 16-18). The costs on line 5 correspond with lines 16-18 of table 5. Once again, column a will include staff and fringe benefits for all the staff listed in table 5 - dentists, dental hygienists, dental assistants, aids, and techs.

Non-clinical support services and facility costs associated with the dental practice should be first shown on Lines 14 and 15 column a and then allocated to this dental line in column b. We have more to come on this a little later.

## **Line 6: Mental Health**

Under mental health, once again, you'll report the direct costs associated with staff - whether they are employees or contracted. And the staff you'll report on Line 6 (Mental Health) on Table 8A, correspond to the staff you reported on Lines 20a-c on Table 5.

Other direct costs that you'll include in column a on this line will, again, include things like supplies, equipment depreciation, and travel.

## **Line 7: Substance Abuse**

The next line in this section is used to report costs associated with providing substance abuse services. As with the other lines, staff costs should correspond to staff you reported on Table 5, Line 21 (Substance Abuse). The division between staff costs and other direct costs will be made along the same lines as for other services.

## **Behavioral Health Programs**

Now, if you have a **behavioral health program** that provides both mental health and substance abuse services and you cannot separate them out, we'll ask that you allocate the costs across the two programs. With the allocations based on staffing or visits (from Table 5) or another appropriate method. The key here is that the allocations are consistent with the way time, visits, and patients are all reported on Table 5.

## Lines 8a & 8b: Pharmacy

Pharmacy costs are reported on two lines:

1. Pharmacy (not including pharmaceuticals) - on Line 8a; and
2. Pharmaceuticals - on Line 8b.

**Before we go on, here's a quick question that you should be able to answer based on what we've talked about so far. On which line would you report donated pharmaceutical supplies?**

- Line 8a?
- Line 8b?
- Or neither?

**Answer: Neither**

**Feedback when correct:**

Exactly right! Donated supplies of any kind are reported on Line 18 (Value of Donated Facilities, Services, & Supplies). Let's keep going.

**Feedback when incorrect:**

No, not here. Remember, donated supplies of any kind are reported on Line 18 (Value of Donated Facilities, Services, & Supplies) - so that includes donated pharmaceutical supplies. Let's keep going!

### **Include on Line 8a**

In column a, on Line 8a (Pharmacy) - you'll report all direct costs for providing pharmacy services. As with the other clinical cost center lines, this includes:

- Salary & benefits for pharmacy technicians and pharmacists;
- Equipment depreciation;
- Travel;
- Contracted purchasing services; and
- Non-pharmaceutical supplies.

Notice I said non-pharmaceutical supplies - that's because we'll ask you to report the cost for purchasing pharmaceuticals on a different line.

## Include on Line 8b

On Line 8b, you'll notice that you will only have the option to report information in column a (and, the same amount, in column c). Let me explain why that is. As you know, column b is where you'll report indirect costs.

- To the extent that there are such costs for the purchase of pharmaceuticals, we'll ask you to combine those with the allocation for pharmacy costs and report them in column b, on **Line 8a**.

In column a, on Line 8b, you'll report direct costs for the purchase of pharmaceuticals. This will include the cost of vaccines and other injectable drugs which you may use in your health center.

- As we mentioned earlier, you will not report any donated pharmaceuticals here; instead, you'll report their value on Line 18 (value of Donated Facilities, Services, & Supplies).

## Special Situations

Let's go over a couple special circumstances that may occur with pharmacy costs, and how we would like you to report them on Table 8A:

- First, if you are unable to separate non-drug costs from total pharmacy costs (for example, if you have contract or pre-pack arrangements or cannot break out handling fees associated with the pharmacy), we'll ask you to report the total costs on Line 8b (Pharmaceuticals).

## Special Situations

- Second, if you have staff who help patients apply for free or low-cost pharmaceuticals from manufacturers (e.g., complete forms for Pharmacy Assistance Programs), you will report the costs for those staff on Line 11e (Eligibility Assistance) - not on one of the pharmacy lines.

## Line 9: Other Professional

In column a, on Line 9, you will report all direct costs associated with providing professional and ancillary health care services including:

- Podiatry;
- Chiropractic;
- Acupuncture;
- Naturopathy; and
- Speech, hearing, occupational, & physical therapy - to name a few.

And, once again, staff costs you'll report here will correspond to staff you reported on Table 5, Line 22.

Click on the **VIEW THE MANUAL ICON** to access a more complete list of service costs to include on Line 9 in Appendix A of the UDS Manual.

You may have noticed that, on this line (and several others in this table), we're asking you to **specify** what type of staff or service costs you are including on this line. If you report costs on this line, you'll need to provide a description of the type of service costs you're reporting here.

## Line 9a: Vision

On Line 9a (column a), you will report all direct costs for the provision of vision services. This includes optometry, ophthalmology, and vision support staff costs. And, as with the other cost centers, direct costs will include salary and benefits, supplies (including frames and lenses), equipment depreciation, travel, and contracted services.

## Line 10: Total Other Clinical Services

Once you've reported information on Lines 5-9a - you'll simply add up the amounts in each column and report them on Line 10.

## Lines 11a – 13: Enabling & Other Services

The next cost center on Table 8A is **Enabling and Other Services** (reported on Lines 11a-13). On these lines, you'll report costs associated with providing enabling and other related services, including:

- Case management, transportation, and outreach;
- Patient and community education;
- Eligibility assistance;
- Translation and interpretation services; and
- Other services that support and assist in the delivery of primary care and facilitate patient access to care; and
- Community Health Workers

You'll also use this section to report the costs associated with other services not included in other BPHC categories, such as:

- WIC;
- Child care, Head Start & Early Head Start;
- Adult day health care;
- Job training;
- And others.

Finally, you'll report on quality improvement staff in this section

### Lines 11a-h: Enabling Staff

You'll use Lines 11a-11h to report about costs associated with a range of enabling staff and services. Similar to the other cost centers - in column a of each line, you'll need to report salary & benefits associated with each personnel type. And, again, you'll want to make sure that costs reported on each of these lines are consistent with the staff and visits you've reported on Table 5. If it turns out that they are not, maybe because services or supplies were donated, be sure to provide an explanation in the EHB to let your Reviewer know.

Other direct expenses for enabling services that you'll report on these lines are the same as what you've included for other cost centers; more specifically:

- Supplies;
- Equipment depreciation;
- Travel; and



- Contracted services.

### **Line 11g: Other Enabling**

Let's take a closer look at Line 11g. You'll notice that Line 11g asks you to report on "other" enabling services that might not fit into one of the earlier categories. If you report information on Line 11g, you'll also need to **specify** what type of staff or service costs you are including on this line. Simply write in what type of service costs you're reporting here.

### **Line 11h: Community Health Workers**

Finally, on line 11h you'll report on Community Health Workers

### **Line 11: Total Enabling**

Once you've reported information on Lines 11a-h - you'll simply add up the amounts in each column and report them on Line 11.

Now, you may have noticed that, for Lines 11a-h, you don't have any amounts to add up in column b. Well, you might remember that column b is where we'll ask you to report indirect (or non-clinical and facility) costs. We'll talk about how to report indirect costs in more detail later, here I just want to explain that when you do report these costs for enabling services, you'll do so for the entire group (that is, Lines 11a-h) as one total in column b, on Line 11.

### **Include on Line 12**

Line 12 is used to report costs for non-health care services that are not necessarily clinical in nature. These are typically programs that improve quality of life for patients and help others meet basic needs; they include programs like WIC, child care, adult day care, shelters & housing, job training, fitness programs, and other such services.

You'll also use Line 12 to report pass-through funds for which your health center does not report any other activity including revenue, utilization, and staffing.

### **Line 12: Other Related Services**

Costs related to staff and visits on Line 12 will need to be consistent with how you reported staff on Table 5, Line 29a.

And, again, you'll notice that if you report information on this line, you'll also need to **specify** what type of staff or service costs you are including here.

### **Line 12a: Quality Improvement**

Line 12a is where you'll report on the costs associated with staff who are dedicated to quality improvement. You shouldn't attempt to carve out portions of time/cost for staff who attend meetings, peer-reviews etc. for the purposes of quality improvement. This

section is really for recording the costs associated with staff who are dedicated to your QI program and/or HIT/EHR development and analysis.

**Line 13: Total Enabling & Other Services**

Then, when you're finished reporting information on Lines 11 through 12a, you'll just add up the amounts in each column and report the total on Line 13.

## Lines 14–16: Facility & Non-Clinical Support

Now that we've reported our costs and checked them for accuracy, we're ready to begin reporting our Facility & Non-clinical Support Services costs - or our indirect costs. These are the costs that we will later allocate to the appropriate cost centers (in column b).

Let's talk about what goes on each line and how you'll go about allocating these costs to all of the cost centers we just reviewed.

### Line 14: Facility Costs

First, you will report all facility costs on Line 14. These include:

- Rent or depreciation;
- Interest payments;
- Utilities;
- Security;
- Janitorial and maintenance services;
- And other related costs.

### Exclude from Line 14

One important thing to note about Line 14 is that you **will not** report any Capital Improvement Program or Facilities Investment Program costs but you will report the depreciation.

Straightforward enough, right? Now, let's talk about how to allocate Facility Costs to the other cost centers.

### Allocating Facility Costs

We have a recommended method for allocating facility costs that you should follow. However, if you have a more accurate system at your health center - you are welcome to use that method. We just ask that you save your back-up paperwork for review, and explain the method you used in a table note in the EHB. Otherwise, we'd ask that you allocate facility costs in the following way.

## Recommended Method

**Base it on the amount of square footage utilized by each cost center** (e.g., medical, medical lab & X-ray, dental, mental health, substance abuse, etc.)

- When we talk about the square footage each cost center uses - we're referring to space used in the operation of the program; but **does not include** “common spaces” -- like hallways, rest rooms, or utility closets.
- Now, the fine print - if a common space (like a hallway or closet) is completely within an area dedicated to one cost center, costs should be allocated to the cost center using that space. What does that mean? Well, let's say you have a medical suite dedicated to just your medical services program - in that case, hallways and closets inside the medical suite are considered medical space (not common space) and should have costs allocated to the medical care cost center.

## Recommended Method

We also recommend that you allocate facility costs for each building separately, since your costs across buildings could vary considerably. A few things you'll want to know about allocating the costs of several buildings to one cost center are that:

- If you have medical services operating in several different buildings - then you should figure the facility costs associated with each building, and allocate the entire amount to the appropriate cost center.
- Also, be sure to update the amount of square footage that is assigned to each cost center. This may change as program needs change or with renovations made to facilities. And, speaking of renovations, if you've made major renovations to an area associated with a specific cost center - be sure to allocate those facility costs accordingly. For example, if you renovated medical exam rooms, you may want to attribute the renovation costs to the medical cost center only, rather than allocating them to all cost centers.

## Line 15: Non-Clinical Support Costs

Continuing on, on Line 15 - you will report other non-clinical support service costs. These include personnel costs for:

- Corporate administrative staff;
- Secretaries;
- IT staff;
- Billing & collections personnel; and
- Intake & medical records staff.

And, like other cost centers, it also includes other direct non-clinical costs, such as:

- Supplies;
- Equipment;
- Depreciation; and
- Travel.

How do you allocate non-clinical support costs? We'll talk about that next.

## Allocating Non-Clinical Support Costs

First, you need to know that you should allocate non-clinical support costs **after** you've allocated facility costs (that you reported on Line 14). Why?

Well, the non-clinical support services line is also a cost center. You'll need to have the facility costs down before you can determine the amount that you should allocate to the non-clinical services group.

## **Allocating Non-Clinical Support Costs**

Similar to the facility costs, we also have a recommended method for allocating non-clinical support services costs. The first step being what we just mentioned - allocate facility costs (from Line 14) before allocating non-clinical costs to other cost centers.

Then, allocate the non-clinical support services costs based on a straight-line method. Meaning that:

- You should allocate non-clinical support services costs based on the proportion of net costs attributable to each cost center.
- What are your net costs? Those would be your total costs, excluding facility and non-clinical support services costs.

Let me see if I can give you a concrete example (I know I need one).

- If medical staff accounts for 50% of your net costs (excluding facility and non-clinical support costs), then you should allocate 50% of your non-clinical support services costs to medical staff in the medical care cost center.

## **Allocating Non-Clinical Support Costs**

Some important things to consider when allocating costs proportionally:

- You should only allocate billing staff costs to those cost centers that require billing services. For example, if you do not bill for enabling services, then you should not allocate billing staff costs to that cost center. A more accurate way of allocating billing costs for a cost center is to determine the utilization of billing services proportional to claims processed.
- Pay particular attention to cost centers that don't utilize non-clinical functions at a high rate. In other words, consider the non-clinical burden of activities such as pharmacy, contracted services, and depreciation. It may be best to allocate a relatively small amount of non-clinical support costs to those items given their low use of non-clinical services.

## **Allocating Non-Clinical Support Costs**

Our recommended method is only one way to allocate non-clinical support costs. A more accurate method is to allocate these directly to the applicable cost center first. Let me give you an example:

- If you have decentralized registration staff that support the medical department you might want to allocate their costs directly to the medical cost center.

Again, if you have a more accurate system at your health center - feel free to use it. Just remember to save your back-up paperwork in case your Reviewer has questions, and provide an explanation of the method you used in a table note in the EHB.

## **Line 16: Total Facility & Non-Clinical Support**

Once you've reported your cost amounts on Lines 14 and 15, you'll add them up and report the total facility and non-clinical support services costs on Line 16.

## **Line 17: Total Accrued Costs**

As with many of the UDS tables - you'll know what to do by following the table's format. Where you need to total (or subtotal) figures, we'll let you know by including instructions.

And, that's the case on Line 17 (Total Accrued Costs) - here you can see that you're instructed to add up Lines 4, 10, 13, and 16, and report the total on Line 17. Essentially, what you'll be doing is adding up the costs for each of the cost centers, and reporting them as your total accrued costs on one line.

## **Line 18: Value of Donated Facilities, Services, & Supplies**

Now let's talk about Line 18 (Value of Donated Facilities, Services, & Supplies). You've heard us mention this line a couple of times today - this one is fairly easy. On Line 18, you'll include the total imputed value of all:

- In-kind & donated services;
- Donated facilities; and
- Donated supplies (including donated pharmaceuticals).

Be sure to include donated services, facilities, and supplies that are:

- Applicable to the reporting period; and
- Within your scope of project

## **Value of Donations**

How will I know the value of these donations? We'll ask you to calculate the estimated reasonable acquisition costs - by determining what the cost would have been if you were to pay for similar services, supplies, equipment, or facilities within your immediate area at the time of the donation.

- For example, if you were reporting the value of donated pharmaceuticals - we would want you to report the price that you would pay under the Federal drug pricing program, not the manufacturer's suggested retail price; and
- If you have volunteer staff, you'll want to be sure to estimate the value of their time (based on what you would pay someone with similar credentials, performing similar work), and include it on the donation line.

## **Line 19: Total with Donations**

And, finally, the last line on Table 8A is where you'll add together Lines 17 (Total Accrued Costs) and 18 (Value of Donated Facilities, and Supplies) and report the total financial cost of operating your health center.

## **How does Table 8A work with other UDS tables?**

Great, now you know how to complete Table 8A!

I know I've already mentioned, several times, that Tables 5 and 8A are closely related. But, this is a very important point, so I just want to take this chance to remind you of the ways they are related, and maybe give you some ideas about how to be sure that you're completing information consistently across the two tables, and how to catch and correct some of your mistakes before you hit that SUBMIT button on your report.

- First, as we've mentioned before, staff that you report on Table 5 need to be consistent with the costs reported by cost center on Table 8A. Remember to use the crosswalk included in the UDS Manual to help you cross check your report - it's an incredibly handy tool! To view a copy of this crosswalk, click on the VIEW THE MANUAL icon in the LOWER RIGHT of the screen.



## Check for Reasonableness

Do a quick check of your numbers - look to see if your data seem reasonable. Here are a few examples:

- Check costs per personnel type. For example, compare the costs you're reporting for case managers on Table 8A against the FTEs you've reported on Table 5. If you divide the costs by the FTEs, do the costs seem reasonable?
- Check cost by visit and patient in a similar way. You can take the number of visits or patients in a cost center on Table 5 and compare it against the costs for that same cost center on Table 8A and see if they seem reasonable.
- If you find that your numbers seem “off” in some way - for example, when comparing the two tables, your figures show that x-ray and lab technicians are costing you \$15,200 per FTE. Considering that the line includes salary, fringe, and other direct costs associated with lab and X-ray, the numbers seem unlikely. In fact, the value reported doesn't even seem high enough to cover salary and benefits alone. You'll want to look to see where you may have made a mistake and correct it before submitting your report, or provide an explanation if you think it would help your Reviewer understand what you're reporting.

## Find & Flip

Let's break for you to play "Find and Flip" where you try to find the problems in how this health center is reporting information between Tables 5 and 8A.

When you click on a number that is a problem, that area will flip over and provide more information. If you happen to click on something that isn't a problem, you can try again and keep trying until you find them all (just **4** areas in this report).

- Click the PLAY FIND & FLIP button to try your hand at the game; or
- Click the SHOW ME button to reveal the answers.

## Find & Flip: Show me

These areas look like possible problems:

- Staff who might be short-changed: On Table 5 (Line 24) there are 3.15 Case Management FTEs reported; but only \$29,000 in Case Management costs reported on Table 8A (Line 11a). If their numbers are correct, they are only reporting \$9,206 per full-time case management position.
- Someone who was forgotten: On Table 8A (line 11b) there is \$135,753 in direct transportation costs, but on Table 5 (Line 27) there are no FTEs reported for Transportation staff. This may not be a problem if they are paying for transportation services on a contract basis without staff, but it's worth looking into.
- And, on Table 5 (Line 26) there are 8.42 FTEs reported for Outreach Workers but no costs associated with Outreach (Line 11c) on Table 8A.
- Something that was altogether missed: There are no indirect (facility & non-clinical support services) costs reported for the Enabling & Other Services cost center on Table 8A.

## Find & Flip: Play Me

Let's get this detective work started by giving you some hints that will help you zero in on possible problems. Try to find:

- Staff who might be short-changed;
- Someone who was forgotten; and
- Something that was altogether missed.

If you'd like to go ahead and see the answers, click the "SHOW ME" button.

## Find & Flip Case Management

That's right. On Table 5 (Line 24) there are 3.15 Case Management FTEs reported; but only \$29,000 in Case Management costs reported on Table 8A (Line 11a). If their numbers are correct, they are only reporting \$9,206 per full-time case management position.

## Find & Flip Transportation

Good eye! On Table 8A (line 11b) there is \$135,753 in direct transportation costs, but no Transportation FTEs reported on Table 5.

## Find & Flip Outreach

Right! On Table 5 (Line 26) there are 8.42 FTEs reported for Outreach Workers but no costs associated with Outreach (Line 11c) on Table 8A.

## Find & Flip Indirect Costs

Good eye! There are no indirect (facility & non-clinical support services) costs reported for the Enabling & Other Services cost center on Table 8A.

## Find & Flip: Not an answer

Sorry, that's not one of the problem areas. Click the red "x" to close the window and return to the table.

## Look out for these common problems!

Thank you for your time - you've been wonderful! Before we go, let's see if I can help save you and your team some time and frustration by telling you how to avoid some of the common pitfalls on Table 8A.

When completing this table, be sure to:

- Coordinate with whomever is completing Table 5 (Staffing & Utilization) to make sure information is consistent across the two tables.
- Report information in the Medical Care cost center based on the instructions in the UDS Manual - that is, separate out salary and non-salary costs and report them on separate lines. Remember, this is the only cost center that asks for information in this way - in all other clinical costs centers, you'll report both salary and non-salary costs together on the same line.
- Include both salary **and** benefits when you're reporting staff costs.
- Report the costs for medical and dental X-ray and lab work separately, under the appropriate cost center.

## Look out for these common problems!

- Only use Line 18 to report donated services, facilities, and supplies. Do not report the value of donations in any of the clinical cost centers.
- Calculate your facility costs (on Line 14) before allocating to other cost centers, including the non-clinical support services cost center on Line 15.
- Follow recommended allocation methods in the UDS Manual or use your own methods, if they are more accurate. If you use your own methods, keep your paperwork and provide an explanation in the EHB.

## **Congratulations**

### **Congratulations! You've completed the training on Table 8A!**

Thank you for taking the time today to learn about this table and for testing your knowledge. We appreciate your efforts to give us the data we need to support you in your important work.

## **Review & Resources**

You can review any topic that we just covered by clicking on the hyperlinks in the Table of Contents on the left of your screen, but if you would like to do something else, click the **NEXT** button to see your options.

Please remember to access and download additional training resources by clicking on the RESOURCES LINK in the upper right-hand corner of your screen.

## **Resources**

These resources allow you to access National- and State-level UDS data; and, other reporting resources such as Quick Fact Sheets, training webinars, and the in-person regional training schedule. For ongoing questions, you can also email: [UDSHelp330@BPHCDATA.NET](mailto:UDSHelp330@BPHCDATA.NET) or call the UDS Helpline toll-free at 866-UDS-HELP.

## **Next Steps**

Now that you have completed the Table 8A training - what would you like to do next?

- If you would like to return to the UDS Learning Center and choose from a listing of all of the training sessions, you can click on the "Return to the UDS Learning Center" button

### **OR**

- You can also choose to continue to learn more about the very next table that appears in the UDS Report, Table 9D: Patient-Related Revenue. Just click on the "Continue to the next UDS Table" button on this screen to join that session.