

Ryan White HIV/AIDS Program Part B Fiscal Review Tool

**Colorado Department of Public Health and Environment
Disease Control and Environmental Epidemiology Division
STI/HIV Section
Resource Management Unit**

2012-2013

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Contractor Information

Agency Name _____

Street Address _____

City, State, Zip _____

Executive Director _____

Phone Number _____

Fiscal Director/Accountant _____

Phone Number _____

List all sources and contract budget amounts for CDPHE STI/HIV funds:

Contract	Project	Amount	Contract Period

For which Ryan White program(s) does the contractor receive funds?

Part A Part B Part C Part D Part F

Contract(s) being reviewed _____

Invoiced months selected to review _____ Reason _____

- Documentation Obtained
- Agency Financial Operations Policies and Procedures Manual
 - Agency Chart of Accounts
 - Example of personnel timesheet allocation
 - Incentives policy, logging, distribution, reconciliation
 - If Medicaid certified, copy of certificate (does not apply to ASOs)
 - Copy of certificate of Admin costs (including indirect costs)**

- Documentation Reviewed
- Invoice detail spreadsheet
 - Invoice backup documentation
 - Client files to verify services provided, non cash payment, third party screening eligibility, payer of last resort verification
 - Chart of Accounts (if unable to obtain copy)
 - Personnel timesheets to reconcile time and effort expenditures to personnel expenditures on invoice

Section 1: Financial Management, Fiscal Procedures, and Limitation on Uses of Part B Funding

Contractor will implement written fiscal policies and procedures to ensure adequacy of agency fiscal system, to generate budgets, to generate expenditure reports, generate accounting system reports, and will be compliant with the Code of Federal Regulations for state and local governments, nonprofit organizations, hospitals and higher education.

To Review: Agency/program budget(s) (expenditure and revenue), fiscal/operating policies, procedures, travel voucher logs, payroll, general ledgers, balance sheets, accounts payables systems, accounting systems, other applicable fiscal control documents

Financial Management, Fiscal Procedures, and Limitation on Uses of Part B Funding	Yes/No/NA
1. What kind of accounting system does your agency use?	
2. How does your agency allocate costs among different funding sources and Ryan White Part B categories?	
3. How does your agency compare and adjust budgeted expenses to actual expenditures? Who does this? How often is this done? How is this information used?	
4. How does your agency determine allowable administrative costs associated to the Ryan White Part B contract? a. What kind of back up documentation do you keep related to administrative costs?	
5. How does your agency ensure adhere to the funding limits set by your approved Ryan White Part B budget categories? If your expensed amounts to CDPHE exceed your budgeted amounts, what process do you follow to rectify the situation?	
6. Describe the process for determining, applying, and approving your agency's service category expenditures for the CDPHE reimbursement request form.	
7. Does your agency use standardized forms for transactions? Do these forms include a formal signatory process for transactions such as designated staff approving agency purchases, purchasing and distributing incentives, approving staff time allocation?	
8. Does your agency have written policies and procedures for determining and handling Ryan White revenue, including program income? a. Does your chart of accounts and general ledger enable you to track Part B revenue? (how) b. Have you provided a copy of your program income report to CDPHE? When? To Whom? (obtain copy) (Definition of Program Income is "any income that is generated by a subcontractor, by the grant, or earned as a result of the grant. Includes charges to beneficiaries under the sliding scale, reimbursements from Medicare, Medicaid and private insurance for services provided.)	
9. Does your agency have policies and procedures that allow CDPHE Care and Treatment Program staff access to financial, program and management records as part of routine monitoring and oversight? (obtain copy)	
10. Does your agency maintain file documentation of payroll, accounts payables, and hard copy expenditure data? How? (obtain copy)	

Financial Management, Fiscal Procedures, and Limitation on Uses of Part B Funding	Yes/No/NA
11. How does your agency determine and track the allocation of employee's personnel expenditures when employees are engaged in activities supported by several funding sources? (includes SBIRT Providers-Beacon, CHIP, St. Mary's, Univ. of CO, DHHA, CHN) a. What method do you use to allocate salaries and fringe to multiple contracts? (should be time and effort across payment sources vs. percentage)	
12. Does your agency have intake <u>procedures</u> and assist all clients in applying for Medicaid, Medicare and other benefits? Please describe. (obtain copy) a. Where is it documented that you have assisted clients with this? b. Is this performed in a consistent manner among staff?	
13. Does your agency follow up on client self reports of income and insurance? Who does this? How often is this performed? Do you have a policy defining how this is to be implemented consistently at your agency?	

Section 2: Unallowable Costs and Service Category Restrictions (Care and Treatment Standards of Care)

The Contractor will adhere to the \$1,000 per client service category caps for housing, oral health and emergency financial assistance. The Contractor will monitor the use of medical transportation by clients to ensure Ryan White Part B funds are utilized only for medical purposes. **(Bus passes exceeding more than 1 day are not allowed).**

The Contractor will not pay more than the Fair Market Rent when providing housing assistance.

The Contractor will ensure that all food bank/home-delivered meal records comply with the Food Bank Standards of Care.

To Review: Fiscal/operating procedures, specific policies, agency-specific documents.

Unallowable Costs and Service Category Restrictions (Care and Treatment Standards of Care)	Yes/No/NA
1. How does your agency determine what is an allowable Ryan White cost, including administration costs? (Have list?)	
2. How does your agency ensure its reimbursement expense requests to CDPHE don't include unallowable costs?	
3. What is your agency's policy/procedure on issuing cash payments to clients? Is this a written policy?	
4. How does your agency ensure clients do not exceed Ryan White service category caps (oral, housing, emergency financial assistance)?	
5. (If applicable) How does your agency pay for client services provided outside of your agency? (request/approval/verification process)	
6. (If applicable) What type of medical transportation does your agency provide?	
7. (If applicable) How does your agency verify that clients utilize medical transportation funds/vouchers solely for medical purposes?	

8. (If applicable) How does your agency determine the housing assistance provided to clients is not more than the pre-determined Fair Market Rent?	
9. (If applicable) How does your agency determine, allocate, and track, food bank services to clients?	
10. (If applicable) How does your agency stock the food bank? (Purchases, donations, both?) How often is it replenished? How do you track usage?	

Section 3: Income from Fees for Services Performed

45 CFR Part 225, OMB Circular A-4133, HHS Grants Policy Statement

The Contractor will use Ryan White Part B and third party funds to maximize program income from third party sources and ensure that Ryan White is the payer of last resort.

The Contractor will ensure the billing and collection from third party payers, including Medicaid, Medicare, private insurance and CICIP, so that the HRSA payer of last resort requirement is met.

The Contractor will be a Medicaid certified agency and will receive Medicaid payments, unless waived by the Secretary of Health and Human Services.

The Contractor will ensure the billing, tracking, and reporting of program income.

The Contractor will retain program income derived from Ryan-White-funded services and use such funds in one or more of the following ways:

- Funds will be added to resources committed to the project or program and used to further eligible project or program objectives
- Funds will be used to cover program costs

The Contractor will participate in the First Care Program to ensure linkage to care for all HIV+ clients

To Review: fiscal/operations policy and procedures manual, agency/program revenue and expenditure budgets, expanded program budget (if applicable), program billing statement(s), program collection statement(s)

Income from Fees for Services Performed	Yes/No/ NA
1. Does your agency utilize policies and have staff training on the requirement that Ryan White funds be used as the payer of last resort?	
2. Does your agency internally review files and your billing systems to ensure Ryan White resources are used only when a third party payer is not available? a. Who performs this? How often?	
3. How do reconciliations and back billing to other third party payment sources for Ryan White Part B expenses occur, if necessary? Who performs this task? How often is this performed?	
4. For Medical Contracts: Does your agency establish and maintain a medical practice management system for billing? What is the system you use? (examples may include: eClinicalWorks; Centricity; NextGen; SOAPWare; Practice Fusion; Greenway Medical; IDX) a. Does the software include modules for? a. Patient registration <input type="checkbox"/> b. Scheduling <input type="checkbox"/> c. Electronic Medical Record <input type="checkbox"/> d. Encounter Forms <input type="checkbox"/> e. Billing and Accounts Receivables <input type="checkbox"/> f. Reports <input type="checkbox"/>	

5. For Medical Contracts: How does your agency <u>bill, collect, track, and report</u> program income? Describe. (Ryan White considers all collections from patients under the sliding scale and reimbursements from Medicaid, Medicare and private insurances for services provided, as program income) Have you reported program income to HRSA? When? How does your agency report program income to HRSA? (Documented by charges, collections, and adjustment reports <u>OR</u> by application of revenue allocation formula)	
7. For Medical Contracts: Have you informed your agency's financial center of the program income monitoring standards?	
8. For Medical Contracts: What is your agency's tracking mechanism to determine and track the number of encounters by payer for all patients with HIV/AIDS diagnoses?	
9. For Medical Contracts: Does your agency have a payer code for Ryan White in its billing system?	
10. For Medical Contracts: Does your agency have fiscal <u>policies which specify</u> how the generated program income is to be used? a. If you use program income to cover unfunded admin costs, do you record this in the accounting system or track it on a spreadsheet?	
11. For Medical Contracts: Is program income recorded in your agency's accounting system by the program or activity that generated it? Please show us how this is recorded. (copy)	
12. For Medical Contracts: Does your agency's billing system reports show the amount of program income collected?	

Section 4: Imposition and Assessment of Client Charges

The Contractor will have clear policies and procedures that specify charges to clients for services including any documented decision to impose a nominal charge.

The Contractor will not impose any charges on clients with incomes below 100% of the Federal Poverty Level (FPL).

Contractors that provide charges to clients with incomes greater than 100% of poverty do so based on a discounted fee schedule and a sliding fee scale. Cap on total annual charges for Ryan White services are based on the percent of patient's annual income. (*Attachment B*).

To Review: Client fee schedule; sliding fee policy; fiscal/operating procedures; program billing statement(s), program collection statement(s)

Imposition and Assessment of Client Charges	Yes/No/ NA
1. If your agency does not have Medicaid certification, and you are providing Medicaid eligible services (SBIRT-MH/SA), have you requested a waiver?	
2. For Medical Contracts: Does your agency utilize written <u>policies and procedures</u> for the billing and collection of payments from clients (<i>co-pays, sliding scale fees, etc</i>)?	
3. For Medical Contracts: How does your agency ensure the sliding fee policies and procedures are consistently implemented?	

<p>4. For Medical Contracts: Does your agency utilize a written policy regarding assessing client fees and include policies for determining caps on client charges? How are these policies implemented? (copies)</p> <p>a. How often does your agency evaluate clients to establish individual fees and caps?</p> <p>b. Does your agency track Part B charges or medical expenses including enrollment fees, deductibles and co-pays?</p> <p>c. Does your agency have a process for alerting the billing system that the client has reached the cap on charges and should not be charged for the remainder of the year? Please describe.</p> <p>d. How does your agency document that staff understand the policies and procedures? Please describe. (copy)</p>	
<p>5. For Medical Contracts: Please describe and demonstrate how your agency charges, obtains, tracks, and documents client charges and caps within your financial systems including enrollment fees, deductibles, co-pays, etc?</p> <p>a. Does your agency identify the source of reimbursement for each patient?</p> <p>b. Does your system allow for more than one source of reimbursement for each patient (ex. If patient has both Medicare and Medicaid?)</p>	
<p>6. For Medical Contracts: Can you run agency reports based on the payer code?</p> <p>a. How often do you run and review these reports to monitor the caps on client charges?</p>	
<p>7. For Medical Contracts: How does your agency ensure the clients' caps on annual charges are based on client income? Where and how is this documented?</p>	
<p>8. For First Care: If you utilize First Care, how do you ensure the clients do not qualify for other payment sources before you request reimbursement for services from the Ryan White Part B contract funds?</p> <p>a. How do you account for and apply FirstCare payment vouchers in your system?</p> <p>b. How do you track the limits and caps on services when utilizing First Care?</p>	
<p>9. If your agency is a Medicaid Provider, how does your agency ensure client referrals to other providers are in compliance with the federal Anti-Kickback law? <i>(This law states, generally, that anyone who knowingly and willfully receives or pays anything of value to influence the referral of federal health care program business, including Medicare and Medicaid, can be held accountable for a felony.)</i></p>	

Section 5: Cost Principles and Auditing Requirements

All contractors are subject to the audit requirements contained in the Single Audit Act Amendments of 1996 and revised OMB Circular A-133, with A-133 audits required for organizations receiving more than \$500,000 per year in federal funds. **Selection of auditor will be based on an approved policy or process.**

To Review: A-133 or independent audit and audit letter from most recent year

Cost Principles and Auditing Requirements	Yes/No/ NA
1. How does your agency ensure that its budgets and expenses conform to federal OMB cost principles?	
2. How does your agency ensure its fiscal staff is familiar with applicable federal regulations?	

3. Does your agency have written policies and procedures for the purchase, logging and distribution of gift card incentives and gas vouchers? Please provide overview.	
4. Does your agency receive an independent audit or an A-133 audit? a. When was your last audit and what findings were noted?	
5. What are your agency's policies and procedures that guide the selection of an auditor? Describe.	

Section 6: Property Standards

The Contractor will track and report on nonexpendable personal property, including exempt property, purchased directly with Ryan White Part B funds. Contractor will ensure existence of an inventory list of supplies including medications purchased with local drug assistance or ADAP funds.

Document(s) to Review: Sub-grantee property inventory list and depreciation schedule, if applicable.

Property Standards	Yes/No/NA
1. Has your agency purchased non expendable personal property or exempt property with Ryan White Part B funds? a. If so, does your agency maintain a current, complete inventory list and depreciation schedule that lists the purchases of equipment by funding source?	

Section 7: Review of Invoice Expenditures

Document(s) to Review: invoice(s) and corresponding back-up documentation

Contract Program(s): _____

Invoice Month(s) Reviewed: _____

<p>A. Ryan White Service Categories Billed During Reviewed Period:</p>	<p><i>List:</i></p>
<p>B. Does the contractor have adequate back-up documentation for the requested invoice(s) that:</p> <p>(If no, ask for an additional random month to sample and continue with review of expenditures.)</p>	<ul style="list-style-type: none"> • Ensures requested reimbursements are based on actual expenditures? <p><input type="checkbox"/> Yes <input type="checkbox"/> No Note:</p>
	<ul style="list-style-type: none"> • Ensures report category totals are reconciled with backup documentation and receipts? <p><input type="checkbox"/> Yes <input type="checkbox"/> No Note:</p>
	<ul style="list-style-type: none"> • Provides an audit trail to/from the chart of accounts/general ledger for selected line item categories? <p><input type="checkbox"/> Yes <input type="checkbox"/> No Note:</p>
<p>C. Are the costs associated with the expenses reviewed reasonable, allowable and allocable?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No Note:</p>

Section 8: Review of Client File for Third Party Payer Verification

<u>CLIENT NUMBER</u>									
<u>Unallowable Costs</u>									
A. Services client received were noted in file.									
B. Services were not received by client in the form of a cash payment.									
<u>Income from Fees</u>									
C. Updated screening for third party eligibility that reflects screening period defined in contractor policies.									
D. Copy of insurance card/eligibility statement in chart.									
E. Updated eligibility status for Medicaid, Medicare, or third party insurance for each visit, if applicable.									
F. Had system in place to bill back and track Medicaid, Medicare, or third party coverage charges/fees if client was eligible but already charged service to HRSA contract funds.									
G. Client charges could be tracked from file back to billing and collection statements									
<u>Imposition and Assessment of Client Charges</u>									
H. Client charges were tracked in system/chart and a cap on annual charges was noted and applied appropriately, if applicable.									
I. Reasonable efforts were documented to collect client fees, copays, if applicable.									

Total number of charts reviewed _____

Total number of charts adhering to standards _____

Percentage adhering to standards _____

Attachment A: HRSA Unallowable Costs

- I. Off-premise social or recreational activities (movies, vacations, gym memberships, parties, retreats)
- II. Medical Marijuana
- III. Purchase or improve land or permanently improve buildings
- IV. Direct payments of cash to a client
- V. Clinical Trials: Funds may not be used to support the costs of operating clinical trials of investigational agents or treatments (to include administrative management or medical monitoring of patients)
- VI. Clothing: Purchase of clothing
- VII. Employment Services: Support employment, vocational rehabilitation, or employment-readiness services.
- VIII. Funerals: Funeral, burial, cremation or related expenses
- IX. Household Appliances
- X. Mortgages: Payment of private mortgages
- XI. Needle Exchange: Syringe exchange programs
- XII. Pets: Pet food or products
- XIII. Taxes: Paying local or state personal property taxes (for residential property, private automobiles, or any other personal property against which taxes may be levied)
- XIV. Vehicle Maintenance: Direct maintenance expense (tires, repairs, etc.) of a privately owned vehicle or any other costs associated with a vehicle, such as lease or loan payments, insurance, or license and registration fees
- XV. Water Filtration: Installation of permanent systems of filtration of all water entering a private residence
- XVI. It is unallowable to divert program income (income generated from charges/ fees and copays from Medicare, Medicaid, other third party payers collected to cover Ryan White services provided) toward general agency costs or to use it for general purposes

Attachment B: Ryan White Defined Cap on Total Annual Charges

Federal Poverty Level (FPL)	When a Cap-On-Charges Must be Applied
Below 100% FPL	No charges imposed
100%-200%	After 5% of annual income has been put towards payment of services.
201%-300%	After 7% of annual income has been put towards payment of services.
At or above 301% FPL	After 10% of annual income has been put towards payment of services.

Attachment C: Sampling Size for Client Chart Review

Total Number of Clients Seen in Agency during review period	Column A Minimum Sample Size if QA Adequate	Column B Minimum Sample Size if QA Inadequate
0 – 6	All	All
7 – 30	7	13 ¹
31 – 50	9	17
51 – 70	10	20
71 – 90	11	22
91 – 110	11	23
111 – 130	12	24
131 – 150	12	24
151 – 170	13	25
171 – 190	13	25
191 – 210	13	26
211 – 230	13	26
231 – 250	13	26
251 – 270	13	26
271 – 290	13	26
291 – 310	14	27
311 – 330	14	27
331 – 350	14	27
351 – 370	14	27
371 – 390	14	27
391 – 410	14	27
411 – 500	14	27
501 – 750	14	28
751 – 1000	15	28
1001 or more	20	30

¹ Or total number of records, whichever is less.