

## Table 8A: Financial Costs

### **PURPOSE:**

Table 8A reports accrued costs by cost center. By reviewing the data reported on Table 8A, one can understand the total cost associated with activities attributable to the calendar year which are within the approved scope of project.

### **CHANGES:**

There are no changes to Table 8A: Financial Costs.

### **KEY TERMS:**

**ACCRUED COSTS (Column A):** The direct costs incurred during the reporting period associated with the cost centers and services listed.

**ALLOCATION COSTS (Column B):** The direct costs of the facility and non-clinical support services (from Lines 14 and 15, Column A) distributed across the programs and program-related services.

### **ALLOCATION OF FACILITY AND NON-CLINICAL SUPPORT SERVICES IN COLUMN B (recommended multi-step method):**

**FACILITY COSTS** on Line 14 are allocated based on the amount of square footage utilized for Medical, Medical Lab and X-Ray, Dental, Mental Health, Substance Use Disorder, Pharmacy, Vision, Other Professional Services, Enabling, Other Program Related Services, Quality Improvement (QI), and Administration. The record of square feet used by each cost center at each location should be updated each year.

- **Note:** Health centers may use an alternative allocation method (approved or used by your internal auditors) that effectively distributes facility costs but be sure to save back-up paperwork for review and explain the methods used in the table comments section of your UDS report.

**NON-CLINICAL SUPPORT SERVICES COSTS** on Line 15 are allocated after facility costs have been allocated. Allocate administrative costs that can be assigned to specific services and then allocate the balance of costs based on the proportion of total cost (excluding administrative cost) that is attributable to each service category.

### **HOW DATA ARE USED**

Data are used to calculate:

- Understand the full costs incurred to provide in-scope services
- Total cost per patient
- Medical cost per medical patient, etc.
- Medical cost per medical visit, etc.
- Percent of facility and non-clinical support costs
- Cash flow analysis (Table 8A costs compared with cash revenues on 9D and 9E)
- Charge-to-cost ratio

### **TABLE TIPS:**

In Column A, report Accrued Costs:

- Include direct costs for each cost center consistent with FTEs reported on Table 5
- Include depreciation
- Exclude bad debt and repayment of principal on loans

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In Column B, report the Allocation of Facility and Non-Clinical Support costs for each cost center. Distribute total facility and non-clinical support costs (Lines 14 and 15, Column A) to the appropriate cost center and report in Column B. The total amounts entered in Column B will equal the amount reported on Line 16, Column A.

In Column C, report the Total Cost:

- Sum of direct and indirect expenses
- Report the value of all in-kind services and donated facilities and supplies on Line 18 only. (Do not report cash donations. They are reported on Table 9E).

### MEDICAL CARE COSTS

- On Line 1, report salaries, benefits, and fringe benefits for medical care personnel (hired and contracted) listed on Table 5, Lines 1–12.
- On Line 2, report all **medical** lab and X-ray costs (reported on Table 5, Lines 13 and 14), including salaries, fringe benefits, training, etc. Do not include any dental lab/X-ray costs associated on this line (report as Dental, Line 5).
- On Line 3, report all non-personnel direct medical costs, including dues, supplies, depreciation, travel, CME, Health IT/EHR system, etc.

### OTHER CLINICAL SERVICES COSTS

On Lines 5, 6, 7, 9, and 9a, include all personnel (hired or contracted) and “other” direct expenses for the service.

### PHARMACY COSTS

- Line 8a includes personnel, facility and non-clinical support costs related to pharmacy; including pharmacy systems, personnel, equipment, non-pharmaceutical supplies, etc.

- Report all direct costs for the provision of pharmacy services reported on Table 5, Line 23, which is inclusive of new pharmacy personnel lines 23a–23d.
- Line 8b is used to report the cost of pharmaceuticals.
- If you cannot separate non-drug costs (contract or pre-pack arrangements) from total cost — report all costs on Line 8b (pharmaceuticals).
- Donated pharmaceuticals are reported on Line 18, Column C (value of donated facilities, services, and supplies). Value donated drugs based on the 340b price, not the retail value. Do not include them in the amounts reported on Lines 8a or 8b.

### ENABLING, OTHER PROGRAM-RELATED SERVICE, AND QUALITY IMPROVEMENT COSTS

- Lines 11a–11h, column a report all direct costs for the provision of enabling services.
- On Line 12, column a report direct costs for the provision of non-health care services (e.g., WIC, childcare centers, adult day care, Head Start and Early Head Start, employment training programs, etc.). This includes costs for personnel reported on Table 5, Line 29a. Include any “pass through” funds on Line 12 (more information can be found on Table 9E).
- On Line 12a, column a report all direct costs for the quality improvement (QI) program reported on Table 5, Line 29b, including all personnel dedicated to the QI program and/or Health IT/EHR system development and analysis.

## Table 8A: Financial Costs

### VALUE OF DONATED FACILITIES, SERVICES, AND SUPPLIES

- On Line 18, Column C report imputed value of all in-kind and donated services, facilities, and supplies.
- Describe the donated items and amounts in detail using the “specify” field provided.

### CROSS TABLE CONSIDERATIONS:

- Table 5, Column A and Table 8A: Comparison of personnel FTEs reported by service on Table 5 should be consistent with costs reported on Table 8A by cost center unless personnel are volunteers.
- Table 5, Column C and Table 8A: Comparison of visits and patients by service on Table 5 should be consistent with costs by service on Table 8A unless donated.
- Tables 8A and Table 9D: Total costs for billable services on 8A should be related to total charges on Table 9D if fees are calculated to cover costs.
- Tables 8A, 9D, and 9E: Cash revenue on Tables 9D and 9E should be related to total costs on Table 8A unless experiencing a profit, cash flow problem, or deficit.
- Report only non-monetary donations and in-kind services on Table 8A. Report cash donations on Table 9E.
- **Note:** See 2024 UDS Manual Instructions for Table 8A for further details, including the crosswalk of comparable fields between tables 5 and 8A found in Appendix B of the UDS manual.

### SELECTED CALCULATIONS:

Dividing total cost/service by FTEs, visits, and patients for that service category yields average costs (shown on Table 5).

#### Average salary and benefits per medical FTE:

Divide Table 8A, Line 1, Column A by Table 5, Lines 8 +10a + 11 + 12, Column A.

$$\frac{\$20,287,757}{(46.85 + 12.10 + 7.71 + 99.00)} = \$122,466.23 \text{ (see next page for example).}$$

**Average medical cost per medical visit:** Divide total medical costs less lab and X-ray costs (Table 8A, Line 4 – Line 2) by medical clinic and virtual visits less nursing clinic and virtual visits (Table 5, Line 15, Column B – Line 11, Column B + Table 5, Line 15, Column B2 – Line 11, Column B2).

$$\frac{\$23,126,832}{((248,354-0) + (1,710-0))} = \$92.48$$

**Average medical cost per medical patient:** Divide total medical costs less lab and X-ray costs (Table 8A, Line 4 – Line 2) by total medical patients (Table 5, Line 15, Column C).

$$\frac{\$23,126,832}{67,919} = \$340.50$$

## Table 8A: Financial Costs

**TABLE 5: STAFFING AND UTILIZATION**

| Line | Personnel by Major Service Category             | FTEs (a) | Clinic Visits (b) | Virtual Visits (b2) | Patients (c) |
|------|---|----------|-------------------|---------------------|--------------|
| 1    | Family Physicians                               | 24.55    | 115,461           | 382                 |              |
| 2    | General Practitioners                           | .075     | 2,895             | 27                  |              |
| 3    | Internists                                      | 5.20     | 24,723            | 115                 |              |
| 4    | Obstetrician/Gynecologists                      | 5.70     | 22,729            | 0                   |              |
| 5    | Pediatricians                                   | 8.15     | 43,918            | 741                 |              |
| 7    | Other Specialty Physicians                      | 2.50     | 9,248             | 43                  |              |
| 8    | <b>Total Physicians (Lines 1–7)</b>             | 46.85    | 218,974           | 1,308               |              |
| 9a   | Nurse Practitioners                             | 4.85     | 11,001            | 60                  |              |
| 9b   | Physician Assistants                            | 6.85     | 17,273            | 342                 |              |
| 10   | Certified Nurse Midwives                        | .04      | 1,106             | 0                   |              |
| 10a  | <b>Total NPs, PAs, and CNMs (Lines 9a–10)</b>   | 12.10    | 29,380            | 402                 |              |
| 11   | Nurses  | 7.71     |                   |                     |              |
| 12   | Other Medical Personnel                         | 99.00    |                   |                     |              |
| 13   | Laboratory Personnel                            |          |                   |                     |              |
| 14   | X-ray Personnel                                 | 6.69     |                   |                     |              |
| 15   | <b>Total Medical (Lines 8 + 10a through 14)</b> | 172.35   | 248,354           | 1,710               | 67,919       |

**TABLE 8A: FINANCIAL COSTS**

| Line                                   | Cost Center   | Accrued Cost (a) | Allocation of Facility and Non-Clinical Support Services (b) | Total Cost After Allocation of Facility and Non-Clinical Support Services (c) |
|--|---|------------------|--|---|
| <b>Financial Costs of Medical Care</b> |   |                  |  |   |
| 1                                      | Medical Personnel   | 20,287,757       | 9,741,909  | 30,029,666  |
| 2                                      | Lab and X-ray   | 1,302,135        | 662,268  | 1,964,403   |
| 3                                      | Medical/Other Direct  | 2,839,075        | 1,329,591  | 4,168,666   |
| 4                                      | <b>Total Medical Care Services (Sum of Lines 1 through 3)</b> | 24,428,967       | 11,733,768   | 36,162,735  |

For more detailed information see UDS Reporting Requirements for 2024 Health Center Data, pages 146 – 158.