

Ryan White HIV/AIDS Program (RWHAP)

Part C Budget: It All Adds Up!

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Disclosures

Presenter(s) has no financial interest to disclose.

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Health Resources and Services Administration (HRSA) Overview

- Supports more than 90 programs that provide health care to people who are geographically isolated, economically or medically vulnerable through grants and cooperative agreements to more than 3,000 awardees, including community and faith-based organizations, colleges and universities, hospitals, state, local, and tribal governments, and private entities
- Every year, HRSA programs serve tens of millions of people, including people living with HIV/AIDS, pregnant women, mothers and their families, and those otherwise unable to access quality health care



HIV/AIDS Bureau Vision and Mission

Vision

Optimal HIV/AIDS care and treatment for all.

Mission

Provide leadership and resources to assure access to and retention in high quality, integrated care, and treatment services for vulnerable people living with HIV/AIDS and their families.



Ryan White HIV/AIDS Program

- Provides comprehensive system of HIV primary medical care, medications, and essential support services for low-income people living with HIV
 - More than half of people living with diagnosed HIV in the United States – more than 550,000 people – receive care through the Ryan White HIV/AIDS Program (RWHAP)
- Funds grants to states, cities/counties, and local community based organizations
- Recipients determine service delivery and funding priorities based on local needs and planning process
- Payor of last resort statutory provision: RWHAP funds may not be used for services if another state or federal payer is available
- 84.9% of Ryan White HIV/AIDS Program clients were virally suppressed in 2016, exceeding national average of 59.8%



Source: HRSA. Ryan White HIV/AIDS Program Annual Client-Level Data Report 2016; CDC. HIV Surveillance Supplemental Report 2016;21(No. 4)



Learning Objectives



1. Provide an overview of the purpose of RWHAP Part C Early Intervention Services (EIS)
2. Describe the necessary components of a budget submission that meets RWHAP Part C legislative and programmatic requirements
3. Identify usual and customary costs associated with a RWHAP Part C budget
4. Outline the documentation required for submitting a budget modification

Agenda

- **RWHAP Part C Program Requirements (Early Intervention Service)**
- **RWHAP Part C Fiscal Requirements**
- **Complete Budget Requirements**
- **Reporting Requirements**
- **Question and Answer Session**



RWHAP Part C Program Requirements



- Program Overview
- Program Requirements
- Cost Categories:
 - Early Intervention Services
 - Core Medical
 - Clinical Quality Management
 - Supportive Services
 - Administrative
- Policy Clarification Notice (PCN) 15-01), Treatment of Costs under the 10% Administrative Cap

RWHAP Part C EIS Overview

RWHAP Part C Programs Provide a Comprehensive Continuum of Outpatient HIV Primary Care Services in the Service Area that include:

- Targeted Medical Evaluation and Clinical Care
- HIV Counseling, Testing and Referrals
- Other Primary Care Services (directly or via referrals) for:
 - Oral Health Care
 - Treatment Adherence
 - Outpatient Mental Health Care
 - Outpatient Substance Abuse Treatment
 - Nutritional Services
 - Specialty Medical Care

Part C EIS Program Requirements

- Comprehensive primary health care and support services must be provided throughout the entire designated service areas
- All allowable services must relate to HIV diagnosis, care, and support, and must adhere to established HIV clinical practice standards consistent with U.S. Department of Health and Human Services (HHS) Guidelines
- At least 50 percent of the total grant funds must be spent on EIS (except counseling)
- At least 75 percent of the award (minus amounts for administrative costs, planning/evaluation, and clinical quality management (CQM)) must be used to provide core medical services (Please note: EIS is a subset of this 75% of the award)
- Not more than 10 percent of the total RWHAP Part C grant funds can be spent on administrative costs
- Recipients must adhere to clinical, administrative, and fiscal statutory requirements and program expectations as outlined in the current Notice of Funding Opportunity (NOFO)



RWHAP Part C Cost Categories

Five Cost Categories:



Refer to the specific NOFO announcement that applies to the fiscal year for the budget in order to confirm cost categories requirements!

Understanding RWHAP Part C Cost Categories

Early Intervention Services (EIS)

At least 50 percent of total grant funds must be spent toward EIS (except counseling) and include:

- Counseling individuals with respect to HIV
- High risk targeted HIV testing
- Referrals and linkage to care
- Other clinical and diagnostic services regarding HIV, and periodic medical evaluations
- Providing therapeutic measures for preventing and treating the deterioration of the immune system and for preventing and treating conditions arising from HIV



Understanding RWHAP Part C Cost Categories

Core Medical Services

- At least 75 percent of the award – (minus amounts for administrative costs, planning/evaluation, and clinical quality management) must be used to provide core medical services.
- Core medical cost included under the EIS Cost Category
- Bureau's Policy Clarification Notice 16-02 Ryan White HIV/AIDS Program Services: Eligible Individuals & Allowable Uses of Funds



Understanding RWHAP Part C Cost Categories

Support Services

Support services as described in PCN 16-02 are those services needed by PLWH to achieve optimal HIV medical outcomes.

Understanding RWHAP Part C Cost Categories

Clinical Quality Management (CQM)

- Include costs required to implement requirements outlined in PCN 15-02, Clinical Quality Management.
- Incorporate costs required to assess the extent to which services are consistent with current HHS Guidelines for the treatment of HIV/AIDS and related opportunistic infections, to develop strategies for ensuring such services are consistent with the guidelines, and ensure improvements are made in the access to and quality of HIV health services.
- It is a program expectation that **grant funding spent on clinical quality management shall be kept to a reasonable level.**



Understanding RWHAP Part C Cost Categories

Administrative Costs

- Cannot exceed 10 percent of the total grant
- Administrative cost can be direct or indirect costs associated with the administration of the RWHAP Part C EIS grant.
- Must have methodology in Budget Justification on calculations of costs.
- Staff activities that are administrative in nature should be allocated as administrative cost.
- Planning and evaluation costs are subject to the 10 percent cap.
- Review PCN 15-01 Treatment of Costs under the 10 Percent Administrative Cap and Frequently Asked Questions for PCN 15-01.



Policy Clarification Notice 15-01

The PCN clarifies guidelines for the treatment of costs under the statutory 10% administrative cap for RWHAP's. It provides increased flexibility, within the boundaries of the statute, to re-examine the classification of costs subject to the 10% administrative cost cap.

It is important to note PCN 15-01 offers additional flexibility with regard to administrative costs and better enable recipients and subrecipients to provide core medical and support services to eligible clients while ensuring that the RWHAP is the payer of last resort.



Policy Clarification Notice 15-01

The following programmatic costs may be charged to the relevant service category directly associated with such activities:

- Biannual RWHAP client re-certification;
- The portion of malpractice insurance related to RWHAP clinical care;
- The portion of fees and services for electronic medical records maintenance, licensure, and annual updates, and staff time for data entry related to RWHAP clinical care and support services;
- The portion of the clinic receptionist's time providing direct RWHAP patient services (e.g., scheduling appointments and other intake activities);
- The portion of medical waste removal and linen services related to the provision of RWHAP services;



Policy Clarification Notice 15-01 - continue

The following programmatic costs may be charged to the relevant service category directly associated with such activities:

- The portion of a supervisor's time devoted to providing professional oversight and direction regarding RWHAP-funded core medical or support service activities, sufficient to assure the delivery of appropriate and high-quality HIV care, to clinicians, case managers, and other individuals providing services to RWHAP clients (would not include general administrative supervision of these individuals);
- RWHAP clinical quality management (CQM). However, expenses which are clearly administrative in nature cannot be included as CQM costs; and
- Cost associated with indirect costs may also be charged to the relevant service category.



RWHAP Part C Budget Documents



RWHAP Part C Fiscal Terms



- **Budget Period vs Project Period**
- **Indirect Costs**
- **Unallowable Costs**
- **Cost Categories**
- **Object Class Categories**

Budget Period vs Project Period

- **Budget Period**

- Interval of time into which a project period is divided for budgetary & funding purposes
- Usually 12 months long, but may be shorter or longer

- **Project Period**

- Total time for which Federal support has been programmatically approved as shown in the Notice of Award (NoA)
- Does not constitute a commitment by the Federal Government to fund the entire period
- The period may consist of one or more budget periods



Indirect Costs

- Indirect cost rates assign an approved percentage of “overhead” to each source of funding.
- If indirect costs are claimed, it must be a Federally Negotiated Indirect rate



Indirect costs are counted toward the administrative limit of 10% of the total funding amount!

Changes to Indirect Costs

- Per 45 CFR §75.414(f), any non-Federal entity that has never received a Federal negotiated indirect cost rate may charge a de minimis rate of 10% of modified total direct costs.

Governmental departments or agency units receiving more than \$35M in federal funds MUST have a negotiated rate—they may not charge the flat 10%.

- As described in §75.403, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time.



Fiscal Terms and Requirements

Object Class

- Personnel (and Fringe)
 - **Core Medical Services/EIS**
 - **Core Medical Services ONLY**
 - **Clinical Quality Management**
 - **Support Services**
 - **Administrative**
- Travel
- Equipment
- Supplies
- Contractual
- Other
- Indirect



Fiscal Terms and Requirements



- **Determining FTE allocations**
- **Salary Limitations**
- **Allowable services**
- **Helpful Budget Tips**

Determining Full-Time Equivalent (FTE)

- Sally Doe works 16 hours a week with full time salary of \$40,000.
 - **4 hours** a week are spent on **CQM activities**
 - **12 hours** are spent as a **non-medical case manager**

Total hours worked	FTE Calculation	Part C Budget Allocation
16 hours x 52 /2,080	0.4 FTE under Part C (Staffing Plan)	\$16,000 Total
4 hours x 52/ 2,080	0.1 FTE under CQM	\$4,000 for CQM
12 hours x 52/2,080	0.3 FTE for Support Services	\$12,000 for Support Services

Salary Rate Limitation

- The Consolidated Appropriations Act, 2017, states, “None of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II.”
- Effective January 7, 2018, the salary rate limitation applicable to RWHAP grants and cooperative agreements is \$189,600.
- RWHAP funds and program income generated by RWHAP awards may NOT be used to pay salaries in excess of the rate limitation.



Salary Rate Limitation Example

- Individual's fulltime salary: \$255,000

50% of Time will be Devoted to Project

Direct Salary	\$127,500
Fringe (25%)	\$31,875
Total Amount	\$159,375

Amount that can be claimed on the federal RWHAP award due to the legislative salary limitation

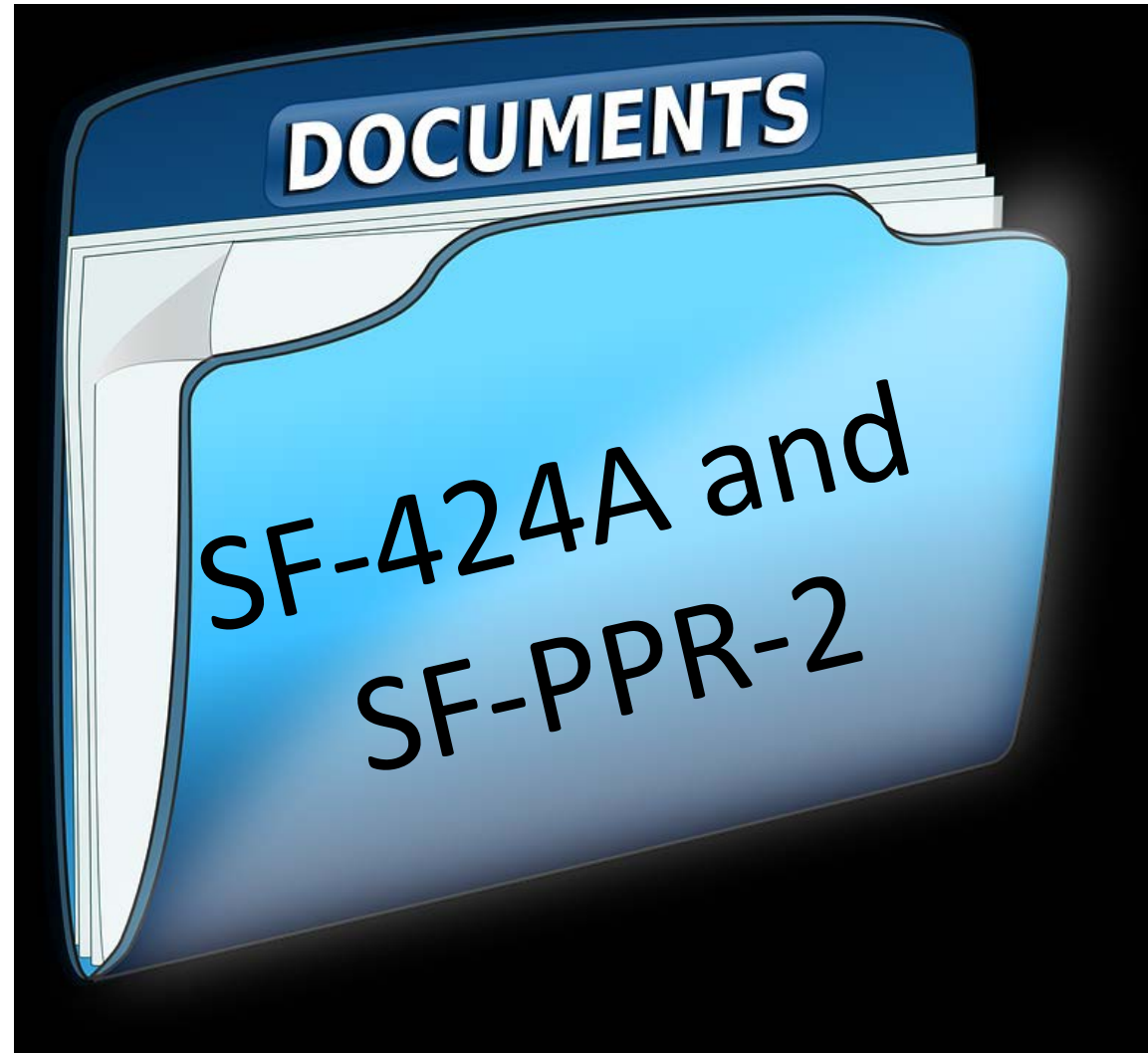
- Individual's base fulltime salary adjusted to Executive Level II: \$189,600

50% of Time will be Devoted to Project

Direct Salary	\$94,800
Fringe (25%)	\$23,700
Total Amount	\$118,500



Budget Documents



SF-424A / SF-PPR-2 Forms

- **SF-424 applies to the Competitive Application**, reference the Application Guide for instructions to complete Sections A through F of the SF-424A Budget Information – Non- Construction Programs Form.
- **SF-PPR-2 applies to the Noncompeting Application (NCC)**, specific instructions are in the NCC Electronic Handbook (EHB) user guide document available within EHBs. Complete the SF-PPR-2 form electronically in EHB.
- Please note, directions offered in the SF-424 Application Guide may differ from those offered by Grants.gov.
- **Reminder:** The Total Project or Program Costs are the total allowable costs (inclusive of direct and indirect costs) incurred to carry out the project.



Budget Documents



Program Specific Line Item Budget Budget

Line Item	Salary	% FTE	Program Salary Subtotal	EIS	Core Medical Services	CQM	Support Services	Admin	Total Funds
Personnel									
Subtotal Salaries				\$0	\$0	\$0	≤ 10% to infinity		\$0
Fringe Benefits									
Subtotal Personnel				≥ 50%		\$0	\$0	\$0	\$0
Travel									
Total Travel				\$0	≥ 75% (minus Admin and CQM)				\$0
Equipment									
Total Equipment				\$0	\$0	\$0	\$0	\$0	\$0
Supplies									
Total Supplies				\$0	\$0	\$0	\$0	\$0	\$0
Contractual									
Total Contractual				\$0	\$0	\$0	\$0	\$0	\$0
Other									
Total Other				\$0	\$0	\$0	\$0	\$0	\$0
Total Direct Expenses				\$0	\$0	\$0	\$0	\$0	\$0
Indirect Expenses**									\$0
Total Requested Grant Funds				\$0	\$0	\$0	\$0	\$0	\$0
Percent of total grant									

Include in 10% Administrative cap



Program Specific Line Item Budget

- Describe each line-item specific to the cost category in table format, listing the program cost categories (i.e., EIS, Core Medical Services, Support Services, CQM, and Administrative costs) across the top and object class categories (e.g., Personnel, Fringe Benefits, Travel) in a column down the left hand side.
- The total amount requested on the SF-424A and the total amount listed on the line item budget must match.
- List personnel separately and be consistent with names, position titles, and FTEs across budget documents including the staffing plan.
- Ensure adherence to current salary limitation rate (2018 - \$189,600). Include detail when salary and FTE meet salary limitation requirements.



Program Specific Line Item Budget

- Include details of subrecipients and contractors by cost category.
- Include calculations for all items in the budget justification narrative (unit cost, total number of units, and number of persons to be served)
- Be Clear and Concise!
- The line item budget validate compliance to legislative requirements; 50% EIS, 75% Core medical, 10% < Administrative Cost, and that allocations are related to the activities proposed and through the work plan.

Budget Documents



Justification Narrative



- **Explain the cost for each proposed line item amount**
 - Provide a formula or calculation that includes estimated cost per unit and estimated number of units
- **Include an explanation if contractual is fee for service or if paying FTEs**
 - Include actual annual salary for FTEs (1 FTE=2,080 hours)
 - Salary should reflect realistic work plan numbers

Justification Narrative

Justification Narrative MUST:

- Be divided by Cost Categories and sub-divided according to object class categories
- Descriptions must be **SPECIFIC and JUSTIFY** the allowable allocation of each line within the budget
- Describe how each item will support the achievement of proposed activities based on cost category requirements
- Justify each item within the “Other” category
 - For example: rent or utilities (if it is not included in an approved indirect cost rate)



Sample Budget Justification Narrative

HRSA HAB HIV Conference, 2 staff to attend conference

Airfare	2 staff X \$400 =	\$800
Hotel lodging	2 staff X 3 nights X \$200 =	\$1,200
Per diem	2 staff X 4 days X \$60 =	\$480
Transportation	2 staff X \$50 =	\$100
TOTAL		\$2,580

Sample Budget Justification Narrative

Dr. John Doe (annual salary = \$160,000 x 0.125 FTE = \$20,000) will serve as the patients' primary care provider assuring the delivery of quality, comprehensive outpatient care and be responsible for the initial evaluation and follow-up care throughout the disease spectrum.

Sample Budget Justification Narrative

Diagnostic laboratory tests

Viral Loads	24 Viral Loads per month @ \$110.00 / test x 12 months =	\$31,680
Genotype	12 Genotypes @ 375 / test =	\$4,500

Other

Bus passes	115 bus passes (for 50 patients at an average of 2-3 bus passes per person) x \$5.00 each =	\$575
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Tips for Creating Budget Justification Narrative

- Review the most applicable Notice of Funding Opportunity announcement!
- Allow enough time to prepare and obtain approval of documents
- Double check figures and correlation between all budget documents
- Check calculations (Verify Excel formulas not miscalculating totals)
- Verify legislative requirement are met for percentages to Early Intervention services, Core Medical and Administration)
- Verify budget total match total award

Tips for Creating Budget Justification Narrative

- Include whole numbers only, not decimals
- Ensure consistency of information across all documents
- Verify personnel cost (annual salary/hourly rate) does not exceed the salary limitation requirement
- Review for direct service cost - (PCN 15-01) Treatment of Costs under the 10% Administrative Cap
- Review for unallowable costs (PCN 16-02) Eligible Individuals and Allowable Uses of Funds

Budget Documents



The staffing plan can be viewed as a honorary budget document because it must include all positions funded by the grant.

Staffing Plan

- **ALL HIV program staff, including key staff NOT funded by the grant**
 - Education, training, and HIV experience and expertise
 - Language fluency and cultural competence
 - Provide FTE and **ALL** funding sources for each staff member
- **Specifically identify:**
 - Program Coordinator/ Manager
 - Staff managing and overseeing program activities
 - Staff monitoring activities of contractors
 - Medical Director and all medical providers
 - Lead for Quality Management activities

NOTE: A tabular format is recommended



Sample Staffing Plan

NAME	POSITION	FUNDING		Expertise / Education
George Carter, MD	Physician / Medical Director	40%	Part C	31 years' experience working with HIV and 43 years as a MD
		7%	Part D	
		53%	G&A	
Sally Brown, CRNP	Nurse Practitioner	50%	Part C	2 years' experience working with HIV and 3 years as a nurse practitioner
		5%	Part D	
		45%	G&A	
Terri Moore, LPN	Nurse	50%	Part C	13 years' experience with HIV
		5%	Part D	
		45%	G&A	
Pat Rice, CPT, CCMA	Phlebotomist	50%	Part C	5 years' experience working with HIV
		5%	Part D	
		50%	G&A	
Pam DeLozier, MBA, PMP	Health Data Analyst	20%	Part C	4.5 years' experience working with HIV and 30 years' experience with data analysis
		5%	Part D	
		50%	SAMHSA	
		25%	CDC	
July Bower, CPA	CFO	5%	Part C	10 years' experience working with HIV and 25 years in accounting
		2%	Part D	
		10%	SAMHSA	
		7%	CDC	
		76%	G&A	



Technical Assistance

- Submitting a proper budget for a Competing Continuation Application or a Noncompeting Continuation Progress Report results in a:
 - Quicker approval process, less back and forth, is more reflective of the program, and provides for a more efficient and timely submission of the RWHAP Allocation Report.

Common Issues with Budgets

- Budget documentation does not match
- Costs are allocated to an incorrect cost category
- Budget cost category totals are incorrect
- Percentage for administration is miscalculated (10.0%)
- Personnel salary or hourly rate exceeds the salary limitation
- Unallowable costs are included
- Documents are not in proper format
- Budget grand total does not match total award amount



Tips for Creating Budget

- Read most current Notice of Funding Opportunity and verify Appendix B for funding ceilings
- Allow ample time to prepare budget documents
- Double check cost and FTE figures and the correlation between all budget documents (SF 424, line item, narrative)
- Check calculation (Excel formulas can miscalculate totals)
- Verify percentages of FTE allocated across cost categories
- Include whole numbers and not decimals (cents)



Helpful Budget Tips

- List ALL staff names and position titles to be funded
- Be consistent with names, position titles and FTEs on all budget documents including the staffing plan
- Describe each line item specific to the cost category
- Include details of subcontractors by cost category
- Include details of salary and FTE that meets salary limitation requirements
- Include calculations for all items in the justification narrative (unit cost, total units and number of persons to be served)
- REMEMBER! Be Clear and Concise!

Reporting Requirements



- Budget Modification
- Federal Financial Report
- Unobligated Balance
- Carryover Request
- RWHAP Allocation Report
- RWHAP Expenditure Report
- Noncompeting Continuation (NCC)

Budget Modification

- **Submit Budget Modification if:**

- Cumulative reallocation of expenses throughout budget period reach 25% or \$250,000 (whichever is less) of total budget award
- Expenses are moved between **cost categories** (EIS, CMS, CQM, Support or Administrative)
- Changing the scope of the program, including, but not limited to, changing the model of care, transferring substantive work from personnel to contractual, and/or adding new line items which were not in the approved budget
- Must submit through EHB as a Prior Approval Request
- Best practice to discuss budget changes with project officer

Minor modifications not meeting criteria above can be completed by notifying Project Officer by email!



Budget Modification- Required Documentation

- **SF-424A**
 - Revise the SF424A to reflect the requested budget
- **Line Item Modification**
 - Reflect entire budget (Use the Excel budget modification form)
 - Include any approved carryover to be used during this budget period (be sure to identify carryover line items)
- **Justification Narrative**
 - Reflect costs being reallocated
- **Cover Letter**
 - Include explanation/justification for requested budget modification (i.e., service is being reduced to make up the cost of a proposed activity, explain why)
 - Include total amount being reallocated
 - Include grant number



Sample Budget Modification

Description	Original Medical Services	Adjustment Medical Services	New Medical Service Total
Personnel			
Sally Sue	\$0	\$6,750	\$6,750
John Henry	\$42,259	- \$24,782	\$17,477
Nancy Flower	\$0	\$12,207	\$12,207
Paul Jackson	\$33,638	\$9,825	\$43,463
Supplies			
Medical Supplies	\$850	\$0	\$850
Carryover Medical Supplies	\$575	\$0	\$575



Budget Modification



- Budgets **MUST** meet legislative requirements!
- Submit as **Prior Approval** through Electronic Handbook (EHB)
- **MUST** submit prior to **60 days** before the end of budget period

Unobligated Balance and Carryover

Unobligated Balance - The portion of the federally authorized award that has not been obligated by the recipient during the budget period.

Carryover - Unobligated funds remaining at the end of any budget period that, with the approval of the GMO, may be carried forward to another budget period to cover allowable cost of that budget period.



Carryover

- Carryover is the unobligated balance from the previous budget period that is authorized to be used to cover one-time expenses in the current budget period.
- Carryover funds **CANNOT** be used to cover ongoing personnel expenses!
- Carryover activities must align with the currently approved objectives and scope of the program
- Carryover funds must maintain compliance to legislative cap to administrative cost when combined with funding for the current budget year.

Carryover Request

- Federal Financial Report must be approved prior to approval of carryover
- Can be requested same time as FFR submission but no later than within 30 days of FFR due date
- Must be submitted as Prior Approval through EHB
- All carryover requests will go under HRSA review and must align with the already approved objectives of the program

Carryover Request Submission

- **SF-424A**
 - Reflect the requested unobligated amount
- **Line Item Budget**
- **Budget Justification Narrative**
- **Federal Financial Report (FFR)**
 - Reflect previous budget period, if one has not been submitted
- **Cover Letter**
 - Include a narrative description of the amount of unobligated funds and the reason(s) for the unobligated balance



Allocation Report



Due in EHB
within 60 days
after start of
budget period



Reflects where
projected
expenses are
distributed



Correlates with
approved Line
Item Budget



Expenditure Report



Due 90 days after the budget period



Reflects the actual distribution of expenses including carryover



Have Budget Related Questions?

Contact your Project Officer!



Contact Information

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