

Ryan White HIV/AIDS Program (RWHAP) Part D Budget: It All Adds Up! December 13, 2018

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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



- Describe the necessary components of a budget submission that meets RWHAP Part D Women, Infant, Children and Youth (WICY) legislative and programmatic requirements
- Identify usual and customary costs associated with a Part D budget
- Outline the documentation required for submitting a budget modification

RWHAP Part D WICY Program Requirements



Program Overview

Program Requirements

Cost Categories:

- Medical Services
- Clinical Quality Management
- Supportive Services
- Administrative

**Policy Clarification Notice (PCN)
15-01), Treatment of Costs under
the 10% Administrative Cap**

RWHAP Part D WICY Program Overview

- **Provide family-centered care in the outpatient or ambulatory care setting to:**
 - low income, vulnerable, medically underserved women (25 years and older) living with HIV,
 - infants (up to two years of age) exposed to or living with HIV,
 - children (ages two to 12) living with HIV, and
 - youth (ages 13 to 24) living with HIV.



RWHAP Part D WICY Program Requirements

- **Medical Care**

- Provision of HIV outpatient or ambulatory medical care, including behavioral health, nutrition, & oral health services. Additional medical services see PCN 16-02.

- **Specialty Care**

- Including HIV specialty care, obstetrics/gynecology, neurology, and hepatology.

- **Support Services**

- Which help WICY clients access primary HIV medical care and are linked to measurable health outcomes.

[16-02 Ryan White HIV/AIDS Program Services: Eligible Individuals and Allowable Uses of Funds](#)



RWHAP Part D WICY Budget Cost Categories

- **Medical Services**
- **Clinical Quality Management (CQM)**
- **Support Services**
- **Administrative (10%, which includes ALL Indirect Costs)**



Treatment of the 10% Administrative Costs

PCN 15-01 Treatment of Costs under the 10 Percent Administrative Cap

- More flexibility around administrative costs
- Some costs previously considered administrative can now be charged to relevant service categories
- Examples include rent and utility costs on areas utilized for service delivery, costs for recertification, Electronic Medical Record (EMR) fees and services, setting appointments, and medical billing costs
- Must relate back to delivery of a RWHAP defined service or it is still considered administrative
- Must have methodology in Budget Justification on calculation of costs



Policy Clarification Notice 15-01 -continue

- **10% limit “administrative expenses” means grant management and monitoring activities:**
 - Preparation of RWHAP Program and Financial Reports
 - Complying with terms and conditions of RWHAP award
 - Contracting activities: development and review of proposals, issuing contracts, subrecipient monitoring by phone, site visits, reports
 - Non-Client related legal activities
 - Accounting, drawing RWHAP Part D Funds
- **10% administrative limit includes ALL indirect costs**
- **10% administrative limit does NOT flow down to subrecipients**
- **Does NOT include planning and evaluation**



Policy Clarification Notice 15-01 -continue

- The treatment of the portion of expenses allocated to administration vs. program
- The following costs are no longer required to count against the 10% admin limit:
 - Medical waste removal & linen services related to RWHAP
 - ACA Outreach & Enrollment for RWHAP clients
 - Supervisor's time devoted to providing professional oversight & direction regarding RWHAP-funded medical or support service activities



RWHAP Part D WICY Sample Line Item Budget

Line Item	Annual Salary	Program FTEs	Program Salary Subtotal	Medical Services	CQM	Support Services	Administrative	Program TOTAL
Personnel, Name & Position	Salary	FTE						
Subtotal								
Fringe benefit rate								
Total Personnel								
Travel								
Total Travel								
Supplies								
Total Supplies								
Contractual								
Total Contractual								
Other								
Total Other								
Total Direct Costs								
Indirect Costs								
GRAND TOTAL								
% budgeted by cost category					%		10.0% cap	

Included in 10% administration



RWHAP Part D WICY - Fiscal Terms and Requirements



- Fiscal Monitoring
- Fiscal Elements
- Budget Period vs Project Period
- Unallowable Costs
- Indirect Costs
- Cost Categories
- Object Class Categories

Fiscal Monitoring

“Coordinated approach to oversight and evaluation of recipient expenditures and financial systems aimed at protecting the federal investment.”



RWHAP Part D WICY Fiscal Elements

- Third Party Billing
- Limitation on Administrative Costs
- Auditing Standards
- Cost Principles
- Category Allocations
- Financial Management System
- Property Standards
- Unobligated Balances
- Carryover
- Conditions of Award
- Accounting system



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, if appropriate

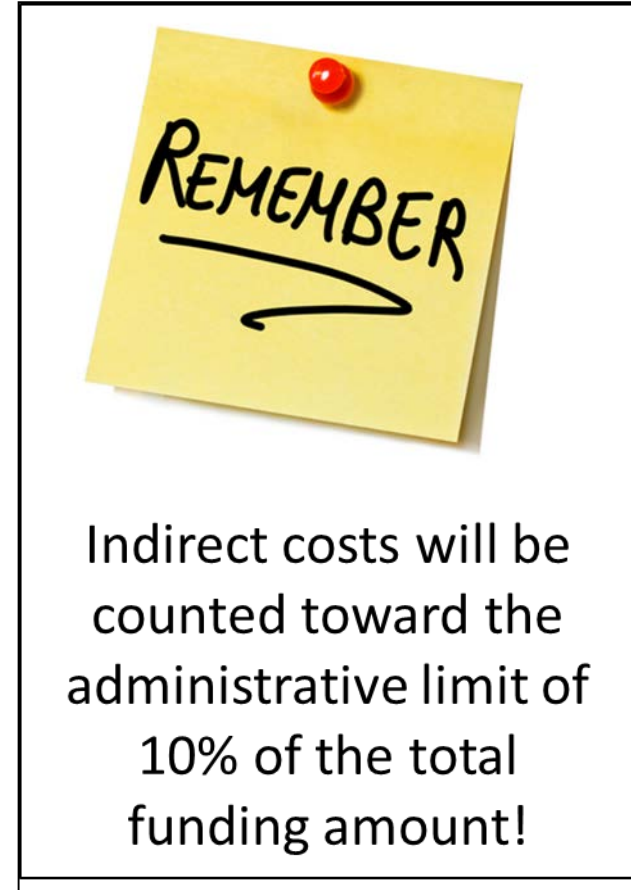
• Project Period

- 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, recipient must meet the criteria cited on the next slide.



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.



RWHAP Part D WICY Budget Cost Categories

- **Medical Services**
- **Clinical Quality Management (CQM)**
- **Support Services**
- **Administrative (10%, which includes ALL Indirect Costs)**



Budget Object Class Categories

- Personnel and Fringe
- Travel
- Equipment
- Supplies
- Contractual
- Other
- Indirect Costs



Fiscal Requirements



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

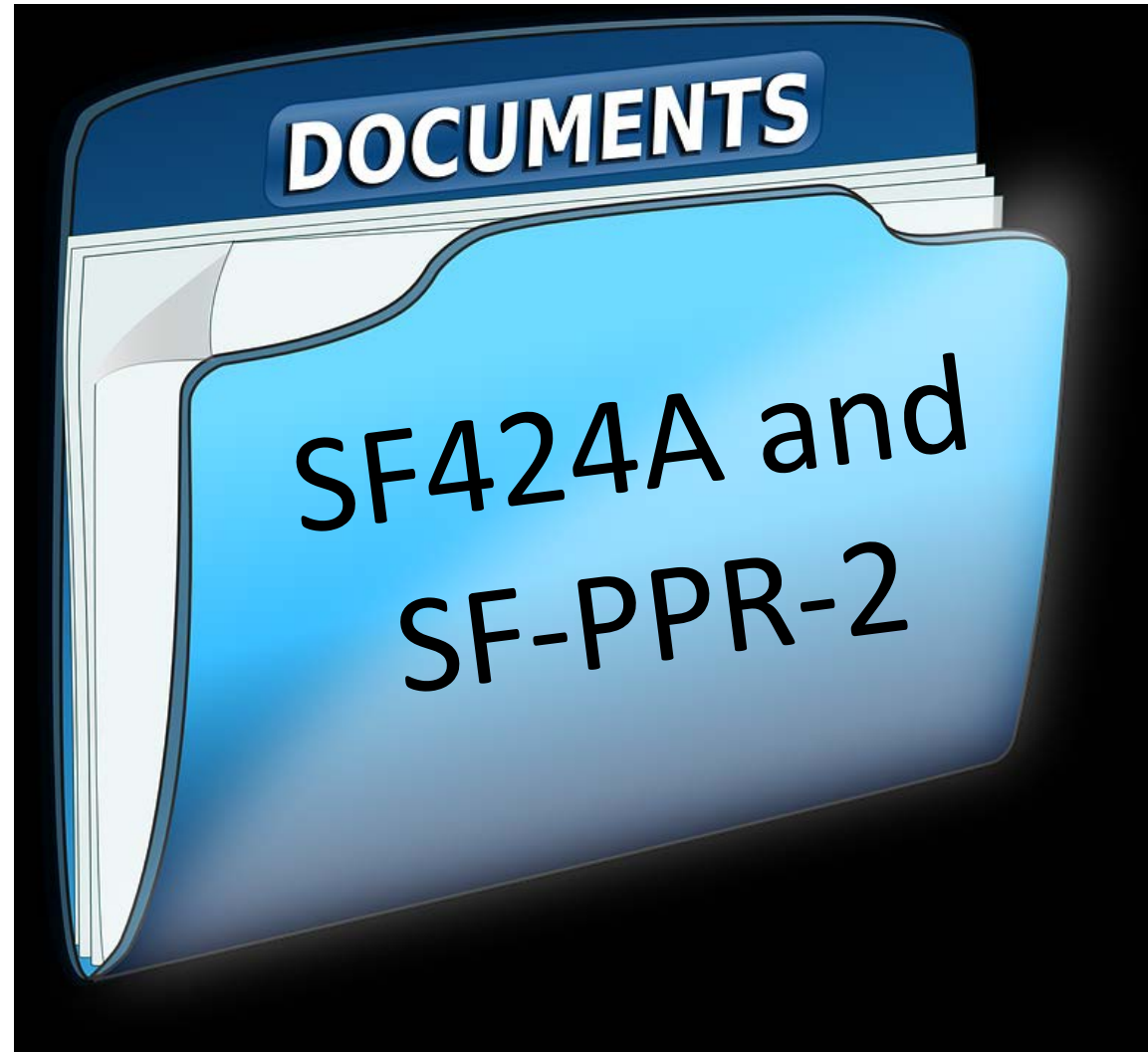
Parts of a Budget Submission

- **Four Parts**

- **SF-424A Budget Information for Non-Construction Programs**
- **Program Specific Line Item Budget**
- **Budget Justification Narrative**
- **Staffing Plan**



Budget Documents



Budget Forms

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 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



RWHAP Part D WICY Line Item Budget

Part D Line Item	Annual FTE Salary	Part D FTEs	Medical Svc Costs	CQM Costs	Support Svc Costs	Admin Costs	Program TOTAL
PERSONNEL							
Name and Position	Salary	FTE					
SUBTOTAL PERSONNEL							
Fringe Benefit Rate							
TOTAL PERSONNEL							
TRAVEL							
TOTAL TRAVEL							
SUPPLIES							
TOTAL SUPPLIES							
CONTRACTUAL							
TOTAL CONTRACTUAL							
OTHER							
TOTAL OTHER							
TOTAL DIRECT COSTS							
Indirect Costs							
GRAND TOTAL							
Budget % by Cost Category			%	%	%	%	

Indirect Costs included in 10% Admin Cap

Admin Costs: ≤ 10% to infinity



Determining Full-Time Equivalent (FTE)

- Sally Doe works **16 hours a week with the Part D program**. Her full time salary is \$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 F Budget Allocation
16 hours x 52/2,080	0.4 FTE under Part F	\$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 Program Costs	\$12,000 for Program Costs



Salary Rate Limitation

Please note that effective January 7, 2018, the salary rate limitation applicable to RWHAP domestic grants and cooperative agreements increased from \$187,000 to \$189,600.

- 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.”
- As a reminder, 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 full time 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 may be claimed on the federal RWHAP award due to the legislative salary limitation
 - Individual's base full time 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



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 according 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 per 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 Justification Narrative

HRSA HAB HIV Conference

2 Staff to Attend Conference		
Airfare	2 staff x \$400 =	\$800
Lodging	2 staff x 3 nights x \$181	\$1,086
Per Diem	2 staff x 4 days x \$60	\$480
Transportation	2 staff x \$50	\$100
Total	-	\$2,466



Sample Justification Narrative

Dr. Sam Doe: Annual salary= $\$160,000 \times 0.125 \text{ FTE} = \$20,000$

Medical Care services

- Dr. Doe will serve as the primary care provider and assure the delivery of quality, comprehensive uncompensated outpatient OB/GYN care.



Sample Justification Narrative

Diagnostic Laboratory Tests

Viral Loads	24 Viral Loads/month @ \$110/test X 12 months =	\$31,680
Genotype	12 Genotypes @ \$375/test =	\$4,500

Other

Bus Passes	115 passes X \$5/each = (Average 50 clients @ 2-3 passes/client)	\$575
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Budget Documents



Staffing Plan

- For **ALL** HIV program staff, including key staff NOT funded by the grant, include:
 - Education, training, 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	Education/ Credentials	Title	FTE	Funding Source	Experience
Dr. Jones	MD	Medical Director OB/GYN	0.4	0.2 Part D 0.2 Other	4 years HIV experience, 10 years OB/GYN experience
Nurse Thomas	RN	Program Coordinator/Clinic Nurse Manager	1.0	0.2 Part C 0.8 Part D	5 years RN with less than 1 year HIV experience
Ms. Kona	Associate Degree	Admin Assistant	1.0	0.4 Part C 0.6 Part D	4 years working with HIV clinic scheduling appointments, referrals, data entry
Mr. Lewis	MSW	Medical Case Manager/CQM Coordinator	1.0	0.5 Part B 0.5 Part D	3 years providing HIV medical case management, fluent in Spanish



Common Issues with Budgets

- ALL budget documents do not match
- Costs are allocated to an incorrect cost category
- Budget category totals are incorrect
- Percentage for administration is miscalculated
- 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 a Budget

- Read most current Notice of Funding Opportunity (NOFO)
- Allow ample time to prepare budget documents
- Double check all figures and the correlation between all budget documents (costs, FTEs, etc.)
- Check calculations (be sure Excel formulas are not miscalculating totals)
- Check percentages
- Include whole numbers and not decimals (no 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!



Post Award Submissions



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

Budget Modification

- **Submit a Budget Modification if:**
 - Cumulative reallocation of costs throughout budget period reach 25% or \$250,000 (whichever is less) of total budget award
 - Changing scope of program: changing model of care, transferring substantive work from personnel to contractual and/or adding new line items not approved on original budget
 - **PLEASE NOTE:** Modifications not changing the scope, not going across cost categories, or less than 25% can be completed by notifying your Project Officer. **Discuss ALL budget changes with your Project Officer!**



Budget Modification: Required Documents

- **SF424A**
 - Revise the SF424A to reflect the requested budget
- **Line Item Modification**
 - Reflect entire budget and show line item changes
 - 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**
 - Must include explanation/justification for the requested budget modification (i.e., service is being reduced to make up the cost of a proposed activity, explain why or if it is now funded by another source)
 - Include total amount being reallocated
 - Include grant number



Example of a Budget Modification

Description	Original Dental Cost	Adjustment Dental Cost	New Dental Cost Total
Personnel			
Provider Name	\$0	\$6,750	\$6,750
Provider Name	\$42,259	- \$24,782	\$17,477
Provider Name	\$0	\$12,207	\$12,207
Provider Name	\$33,638	\$9,825	\$43,463
Supplies			
Dental Supplies	\$850	\$0	\$850
Carryover Dental 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 Federal 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 costs of that budget period



Carryover Request

- **Carryover Funds**

- 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!**
- Proposed carryover expenses must remain within the legislative requirements and remain within administrative caps when combined with the funding for the current budget year.
- It must align with the currently approved objectives and scope of the program.



Carryover Request

- Federal Financial Report (FFR) must be approved prior to approval of carryover.
- Can be requested at the same time as FFR submission or within 30 days of FFR submission.
- 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

- **SF424A**
 - 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



RWHAP Allocation Report



Due in EHB within
60 days after
receipt of full NOA



Reflects where
projected expenses
are distributed



Correlates with
approved Line Item
Budget



RWHAP Expenditure Report



Due in EHB by October 30th



Reflects the actual distribution of expenses including carryover



Noncompeting Continuation (NCC)

- **NCC Progress Report Requirements:**
 - SF-PPR (Standard Form-Program Progress Report)
 - SF-PPR2 Budget Section
 - Performance Narrative (including Work Plan Progress Summary)
- Additional attachments should only be submitted if requested in the Program Specific Instructions.
- **Continuation of grant funding** is based on:
 - Compliance with applicable statutory & regulatory requirements
 - Demonstrated organizational capacity to accomplish the project's goals; AND
 - Availability of appropriated funds for the RWHAP Part D



Q&A: Your questions are welcome!



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