



HRSA **HealthyGrants** **WORKSHOP**

Managing a Healthy Ryan White HIV/AIDS Program (RWHAP) Grant

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Agenda

- **Legislative Overview**
- **Laws and Regulation Precedence**
- **Allowable, Allocable, Reasonable**
- **Common Findings Overall and by Part**
- **Questions and Answers**

RWHAP Legislative Overview Core Medical Services Parts A, B, and C

- Requirement to use not less than 75 percent of funding for Core Medical Services (defined) unless waiver is granted
- Secretarial waiver is permitted if (1) no waiting lists for ADAP and (2) core medical services are available to all individuals identified and eligible in an applicant's service area.

RWHAP Legislative Overview Core Medical Services Parts A, B, and C

- Recipients must impose a charge for services on patients with an individual annual income of over 100% of the FPL
- Only exception – recipients operating as free clinics with a waiver issued by HHS
- Charges imposed are subject to a cap on charges, which is based on individual annual income
- Charges *may* be nominal (but the charge itself is required)
- Imposition of charges is not required for Parts D and F

RWHAP Legislative Overview Core Medical Services Parts A, B, and C

- **Administrative costs: capped at 10% For Part B, combined planning and evaluation plus administrative costs: capped at 15% (or one full-time-equivalent employee)**
- **Clinical Quality Management For Parts A and B, capped at 5% or \$3,000,000**

RWHAP Legislative Overview Payor of Last Resort Parts A, B, C and D

- By statute, RWHAP funds may not be used *“for any item or service to the extent that payment has been made, or can reasonably be expected to be made. . . under any State compensation program, under an insurance policy, or under any Federal or State health benefits program. . . . or by an entity that provides health services on a prepaid basis”*
- Statutory exception for Indian Health Service
- Recipients must vigorously pursue enrollment in other relevant funding sources
- RWHAP recipients must assess individual clients that are not eligible for public programs for eligibility for private insurance
- The RWHAP will continue to pay for items or services received by individuals who remain uninsured or underinsured

What Rules Do I follow?

Order of Precedence:

- **Constitution**
- **Statutes - Title XXVI of the Public Health Service Act, 42 USC. Section 300ff-11s as amended by the Ryan White HIV/AIDS Treatment Extension Act of 2009 (P.L.111-87).**
- **Regulations - 45 CFR Part 75 –Uniform Administrative Requirements, Cost Principles, and Audit Requirements for the U.S. Department of Health and Human Services Awards**
- **Guidance - HHS Grant Policy Statement and RWHAP Policy Clarification Notices**

Fiscal Requirements

- Track all funds including income and expenses that are awarded, generated, and expended on activities pertaining to RWHAP using general accounting practices
- Tracking by category –administration, clinical quality management, core and support services
- Tracking by funding stream for Parts A and B

Cost Principles

- Allow ability \$75.403
- Allocability \$75.405
- Reasonableness \$75.404

Cost Principles

Cost principles applicable to federal grants

Term		Definition
Reasonable		Goods or services acquired and amount involved reflect an action a prudent person would have taken.
Allocable		Benefits the project or award that was charged.
Allowable		Items not restricted by federal regulations or the <u>specific</u> grant/contract.
Treated Consistently		Like costs in similar circumstances need to be charged directly or indirectly at the institution.

Unallowable Use of RWHAP Funds

Unallowable Use of RWHAP Funds

Syringe Service Programs

Clothing

Purchase or improve land, or to purchase, construct, or permanently improve (other than minor remodeling) any building or other facility

Local or State personal property taxes (for residential property, private automobiles, or any other personal property)

Household appliances

Pet foods or other non-essential products

Off-premise social/recreational activities or payments for a client's gym membership

Pre-exposure prophylaxis and Non-Occupational Post-Exposure Prophylaxis

Funeral, burial, cremation or related expenses

International travel

Cash payments to intended recipients of RWHAP services

Developing materials designed to directly promote or encourage intravenous drug use or sexual activity, whether homosexual or heterosexual

Funding programs and services that do not comply with state legislative uses

Allowable Costs

Allowable Costs	
Outpatient and Ambulatory Health Services	AIDS Drug Assistance Program Treatments
Oral Health	AIDS Pharmaceutical Assistance
Health Insurance Premium and Cost	Early Intervention Services (EIS)
Home and Community-Based Health Services	Sharing Assistance for Low-Income Individuals
Home Health Care Hospice Services	Health Education/Risk Reduction
Housing	Food Bank/Home Delivered Meals
Medical Case Management, including Treatment Adherence Services	Medical Transportation
Medical Nutrition Therapy	Non-medical Case Management Services
Hospice	Outreach Services
Mental Health	Psychosocial Support Services
Substance Abuse Outpatient Care	Referral for Health Care and Support Services
Substance Abuse Services (residential)	Rehabilitation Services
Child Care Services	Respite Care
Emergency Financial Assistance	Substance Abuse Outpatient Care
Substance Abuse Services (residential)	

Fiscal Management – What's Required?

- **Business Management Systems & Proper stewardship of program funds (45§75.302)**
- **Tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal regulations (45§75.302 a)**
- **A financial system that permits the preparation of reports required by general and program-specific terms and conditions (45§75.302 a)**
- **Identification of accounts, of all Federal awards received and expended (§75.302 b 1)**
- **Records that identify adequately the source and application of funds for federally-funded activities (§75.302.b.3)**
- **Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the timeframe for obligation and expenditures of grant funds (302.b.2.PHS 2622).**
- **Comparison of budget & expenditure for each Federal award (§75.302.B.5)**
- **Internal controls**
- **Evaluate and monitor subrecipient for compliance with statutes, regulations and the terms and conditions of Federal awards (§75.303)**

Program Income

- Program income means gross income earned by the non-federal entity that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance except as provided on 45 CFR §75.307(f)
- Program income includes but is not limited to income from fees for services performed, the use or rental of [sic.] real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds.
- Interest earned on advances of Federal funds is not program income.

Fiscal Management – Common Findings

- **Insufficient recording and payment of obligations in a timely manner.**
- **Lack of written procedures for expense documentation and record retention procedures**
- **Insufficient accounting/financial system to track receipt and expenditure by RWHAP award, subaward and cost and service category.**
- **Lack of documentation on procedures to track, monitor, and report various sources of income.**
- **Failure to expend rebates (RWHAP Part B only) and program income prior to drawing down grant funds.**

Fiscal Management – Common Findings by Part

- **Part A –**
- **Failure to properly track and report funds by funding stream**
- **Failure to properly report current year expenditures vs carry over expenditures**
- **Timely submission of FFR and Payment Management System reports**
- **Part B –**
- **Failure to track and report funds by funding stream**
- **Failure to properly report current year expenditures vs carry over expenditures**
- **Timely submission of FFR and Payment Management System reports**
- **Failure to track and properly report receipt and expenditure of rebate funds**
- **Obligation of 75% of funds within 120 days of receipt of final award**

Fiscal Management – Common Findings by Part

- **Parts C, D, F**
- **Timely submission of FFR and other reports**
- **Ensuring DUNS is active**
- **Tracking, reporting and utilizing program income**

Resources

- Presentations on various fiscal matters for RWHAP recipients: <https://www.targethiv.org/library/2018-ryan-white-conference-slides-rwhap-fiscal-and-grant-management-boot-camp>
- HAB Policy Clarification Notices (PCN):
<https://hab.hrsa.gov/program-grants-management/policy-notice-and-program-letters>
- 45 CFR Part 74: <https://www.govinfo.gov/app/details/CFR-2000-title45-vol1/CFR-2000-title45-vol1-part74>

Questions?



Contact Information

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