

## **Chapter 25: Fiscal Accountability**

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### **Introduction**

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Providers of Healthy Start services are required by law to use Healthy Start funds only for specified Healthy Start services. Consequently, they are accountable to the people of Florida for ensuring these funds are not used for purposes other than Healthy Start except in those cases where all need for the specified services has been met. The Healthy Start coalitions have been given responsibility under the terms of their contracts and by statute to conduct needs assessments, resource inventories, and service delivery plans, and to contract with providers to provide Healthy Start services. The coalitions are also held accountable for monitoring the use of these funds. Because of the inherent complexities of performance-based contract management, increased audit requirements, and the on-site monitoring necessary to ensure the quality of service provision, coalitions may request a portion of their service allocation for certain administrative functions (See Standard 25.1 below) Providers are responsible for reporting the necessary fiscal information to the coalitions so they can discharge their duties.

### **Standards and Criteria**

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#### **Standard 25.1 Each Healthy Start coalition will account for the use of service dollars for administrative costs.**

*Criterion:*

Healthy Start coalitions can request up to 10% of their service dollar allocation for the below listed administrative functions:

- Quality Assurance/Quality Improvement
- Contract Management
- Fiscal accountability

#### **Standard 25.2 Each Healthy Start provider will account for the use of Healthy Start funds to its local Healthy Start Coalition.**

*Criterion:*

All contracts and/or Memoranda of Agreement for Healthy Start funded services are in the form of performance-based agreements that:

- Specify components of fiscal reporting
- Specify frequency of fiscal reporting
- Specify Healthy Start performance measures

**Standard 25.3 Healthy Start funds will be used as payer of last resort.**

*Criterion:*

Healthy Start funds are expended only when all other community or insurance resources have been exhausted. The Healthy Start coalition and the contracted provider should negotiate a system that verifies that all payor sources, including assisting the client to apply for Medicaid, have been exhausted.

**Scope**

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Healthy Start funds over which the coalitions have authority include federal and state maternity funds (IPO), a prorated portion of the state and federal child health funds to cover children, funds specifically allocated by the state legislature to cover other Healthy Start services, and the Medicaid Managed Care 1915(1)(b) Healthy Start waiver funds. Funds can only be used for specified purposes.

**Fiscal accountability requires coalitions to address:**

- whether Healthy Start clinical funds are only spent for clients without another third- party payer (Medicaid, private insurance, indigent care funds) or explain other systems created using clinical funds
- whether Healthy Start dollars are being spent only on authorized services specified in these guidelines
- how many services or encounters were provided during the period covered by the report, and to how many individual clients
- either expenditures for personnel or a unit cost rate, based on how each contract or MOA is written

**Factors to be Considered for Fiscal Accountability**

Providers of Healthy Start services are accountable for providing data to Healthy Start coalitions about Healthy Start revenues and expenditures, and about volume of services being provided. Providers will need to use this information to determine unit cost so that they can report a rate per service or per client that reflects direct costs. Critical questions related to fiscal accountability are included in the following pages along with recommended data sources. The questions are the same regardless of reimbursement mechanism (fee for service, cost-based prepayment, capitation).

**Factors to be Considered for Fiscal Accountability**

<b>COMPONENTS</b>	<b>CRITICAL QUESTIONS</b>	<b>DATA SOURCE</b>	<b>COMMENTS</b>
<b>REVENUE</b>	Are HS clinical dollars only spent for clients without another third-party payer? (Medicaid, private insurance, indigent care funds)	Periodic verification of insurance status for sample of clients billed to HS funds	
<b>EXPENDITURES</b>	<p>How many services or encounters were provided during the reporting period? (typically quarter or year)</p> <p>What is the total expenditure? How many unduplicated clients received the services or encounters provided?</p> <p>What personnel are funded with HS dollars (in FTEs) at what cost, or what is the negotiated rate?</p> <p>Are HS dollars being spent only on authorized services?</p>	<ul style="list-style-type: none"> <li>• GH 330L report</li> <li>• GH 350 report</li> <li>• Executive Summary reports</li> <li>• Expenditure reports</li> <li>• Selected Healthy Start Services reports</li> <li>• Itemized list of HS funded staff by portion of FTE and expenditures for staff during the report period</li> </ul>	Must specify report requirements and frequency in MOA or contract, including whether reimbursement will be staff based or unit cost based.

**Sample fiscal reports**

(These sample fiscal reports use data available to every provider)

**Part 1: Clinical Services (Prenatal Care and Child Health)**

Reporting period

Total expenditures for clinical services provided during the reporting period

Total number of clients receiving clinical services during reporting period

Total number of clinical services or encounters (circle one) provided during reporting period

Expenditure per service or encounter (circle one) provided during the reporting period

Expenditure per client served during the reporting period

Method used to ensure Healthy Start funds are expended only for authorized services\* and not used to provide services reimbursable via a third-party payer (i.e., Medicaid, other insurance, etc.):

Attach itemized list of personnel and expenses funded with Healthy Start funds.

\* Methods include contracting only for services specified in Standard 15.5.

**Part 2: Healthy Start Non-Clinical Services**

Reporting period

Total expenditures for Healthy Start services provided during the reporting period

Total number of clients receiving Healthy Start services during reporting period

Total number of Healthy Start services or encounters (circle one) provided during the reporting period

Expenditure per Healthy Start service or encounter provided (circle one) during the reporting period

Expenditure per Healthy Start client served during the reporting period

Attach itemized list of personnel and expenses funded with Healthy Start funds

Describe method used to ensure Healthy Start funds are expended only for authorized services.

\*Methods include contracting only for service specified in Standard 28.5.

### **Resources and References**

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383.216, F.S., Community Based Prenatal and Infant Health Care

Chapter 64F-3, F.A.C., Healthy Start Care Coordination

Chapter 64F-2, F.A.C., Healthy Start Coalitions

Section 20.19 (1) (b), F.S., Performance Based Contracting

### **Documentation**

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The documentation of Healthy Start services includes medical and other personal information; all client-specific information related to Healthy Start participants and their families is to be handled as confidential medical information.

Any review of any individual identifying data requires a Release of Medical Information form by the participant for any information that is to be shared among payers, providers, or others.

**NOTES:**

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