SFY 2017 Uncompensated Care Fund (UCF) Payment Methodology

AMOUNT AVAILABLE	$2,314,586
EFFECTIVE DATE	July 1, 2016 – June 30, 2017
ELIGIBILITY	Must meet the criteria as a Federally Qualified Health Center in accordance with CFR Title 42 part 51c and receive the Public Health Service Act Section 330 Federal Grant Award.
REQUIREMENT	All FQHCs seeking FFY 2017 UCF funds must submit a signed contract and completed application no later than August 17, 2016.
UCF CONTACTS	James Rose 405.271.9444 ext. 52541 JamesR@health.ok.gov

FREQUENTLY ASKED QUESTIONS

1. What is the amount available in the Uncompensated Care Fund (UCF) for SFY 2017?

The amount available for disbursement for SFY 2017 is $2,314,586, which allows $192,882 each month to be allocated for uncompensated care costs.

2. What is the payment methodology?

Each month, the number of self-pay/uninsured billable encounters for primary care, dental care, and behavioral health is added together to provide a total number of encounters. The number of total uninsured billable encounters is then multiplied by the FQHC's Prospective Payment System (PPS) Rate, which provides the total cost of these encounters. For this corresponding month, the cash collections for uninsured patients (sliding scale fee, 330 Grant, and other funds for the uninsured) are subtracted from the total cost of the uninsured billable encounters to determine any uninsured uncompensated care costs.

If the amount of cash collections is greater than the total cost of the uninsured billable encounters, the FQHC is not eligible for reimbursement through the UCF.

If the amount of cash collections is less than the total cost of the uninsured billable encounters, then the difference is considered "uncompensated" costs.

Following the monthly receipt of invoices per the submission deadline, if the total amount of uncompensated care costs of all the claiming FQHCs is less than the monthly allotment of $192,882, then all the claiming FQHCs will be reimbursed their full amount of uncompensated care costs.

If the total uncompensated care cost of all the claiming FQHCs is greater than the monthly allotment of $192,882, the uncompensated costs of each FQHC will be converted to a representative percentage, which will then be applied to the monthly amount of available funds to determine the amount each claiming FQHC will receive. The payment methodology is equitable in that funds are allocated according to the number of billable services provided to the uninsured, in relationship to the degree of funding each FQHC receives to provide these

services. For example, if an FQHC provides services to a large number of uninsured clients, but receives sufficient funding from various sources to subsidize these costs, then the FQHC will not be considered to have "uncompensated" costs as a result.

3. What happens if there is a surplus at the end of a month?

If a surplus exists at the end of the state fiscal year, a payment methodology will be applied to ensure an equitable distribution of funds to claiming FQHCs that did not receive full reimbursement for uncompensated care costs due to claims exceeding the monthly allotment. The unreimbursed costs will be added for all FQHCs, if applicable, then divided according to their representative percentage, and allocated according to this same percentage as applied to the surplus amount. If all FQHCs received reimbursements for the full amount of uncompensated care costs throughout the SFY, then any surplus will be carried over within the UCF for use in the next SFY.

4. When can we expect to receive funding to cover uncompensated care costs?

The first invoice submission for the month of July is due no later than **August 20, 2016.** Reimbursements are projected to occur within 45 calendar days of each monthly submission deadline.

OKLAHOMA STATE DEPARTMENT OF HEALTH
UNCOMPENSATED CARE FUNDING IS SUBJECT TO AVAILABILITY