

# ARTICLE 6 CLAIMING PROCESS

FOR STATE AID TO LOCAL HEALTH DEPARTMENTS (LHDs)



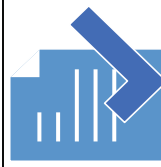
## APPLICATION



1. State Aid Application (SAA) is submitted to NYSDOH 2 months after start of the Fiscal Year

2. NYSDOH Office of Public Health Practice reviews and disapproves/approves SAA

3. When SAA is approved, LHD renders services and programs according to approved SAA



5. The total state aid reimbursement is calculated as follows:

Gross Costs — Ineligible Costs\*

= Total Eligible Costs/Expenditures

Total Eligible Costs/Expenditures

— Eligible Earned Revenue

— Eligible Grant Revenue

= Net Eligible Costs/Expenditures

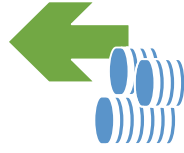
\*Ineligible expenses: Fringe/indirect costs are generally the largest ineligible expense



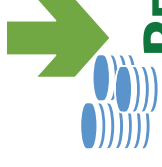
4. Quarterly Expenditure Report (QER)

is prepared, using a cash accounting method, taking the actual payments made in the quarter. QER is submitted two months after quarter ends

September 15						
Mo	Tu	We	Th	Fr	Sa	Su
1	2	3	4	5	6	
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				



## CLAIMING



## REVIEW/

## REIMBURSEMENT/

## PAYMENT

6. Net Eligible Costs — Base Grant \*\*  
= Balance Reimbursable Amount at 36%

\*\* Base grant covers 100% reimbursement of net eligible costs up to a rate set in statute.  
LHDs currently receive a base grant of \$650,000 or .65 per capita, whichever is higher.

7. Reimbursable Amount — Disallowances\*

= Payment

\* Disallowances often occur despite an approved SAA, creating unbudgeted expenses for the LHD

8. Unreimbursed eligible costs (64% of remaining eligible costs)

and 100% of ineligible costs (including all fringe costs) are paid by the local taxpayers



## **Article 6 Claiming Process**

### **Application**

1. State Aid Application (SAA) is submitted to NYSDOH two months after the start of the Fiscal Year (for NYC August 31)
2. NYSDOH Office of Public Health Practice reviews and approves/disapproves the SAA
3. Local Health Department (LHD) renders services and programs according to the approved SAA

### **Claiming**

4. Quarterly Expenditure Report (QER) is prepared, using a cash accounting method, taking the actual payments made in the quarter. For example, if the service is rendered on 6/30, but the actual payment to the vendor is 7/10, the cost will be claimed in the 7/1-9/30 quarter instead of the 4/1-6/30 quarter.
  - a. The QER is submitted to NYSDOH two months after the quarter ends
  - b. Spending is monitored to ensure appropriate adjustments to the SAA upon submission of the final claim.
5. The total state aid reimbursement is calculated as follows:
  - a.  $\text{Gross Costs} - \text{Ineligible Costs} = \text{Total Eligible Costs/Expenditures}$   
 $\text{Total Eligible Costs/Expenditures} - \text{Eligible Earned Revenue} - \text{Eligible Grant Revenue} = \text{Net Eligible Costs/Expenditures}$

### **Reimbursement**

- b.  $\text{Net Eligible Costs} - \text{Base Grant}^* = \text{Balance Reimbursable Amount @ 36\%}$   
\*(per capita or \$Amount, whichever is greater)

### **Payment**

- c.  $\text{Reimbursable Amount} - \text{Disallowances} = \text{Payment}$