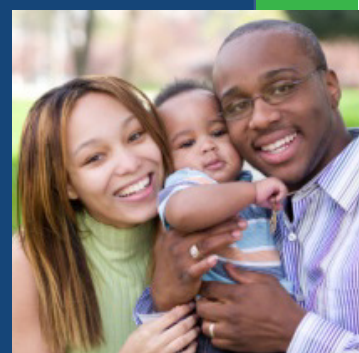

Understanding and Using Fiscal Data: A Guide for Part C State Staff

November 2014

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Introduction

This document provides an overview of the critical role of fiscal data in state Part C systems. This information is intended to help state Part C lead agency staff better understand strategic fiscal policy questions, the fiscal data elements needed to address those questions, and the benefits of using these data. Fiscal data provide powerful information for decision-making, program management, and policy-making. The use of fiscal data, especially when paired with child and family demographic data and data about services, can help state Part C staff and stakeholders better understand the dynamics that influence the Part C program and its financing.

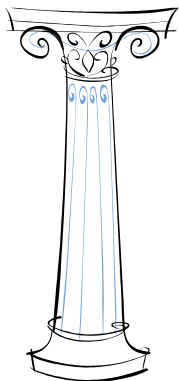
Fiscal and related data are critical in supporting financial management strategies, including developing and improving methods for collecting, allocating, and managing the funds used to support the Part C system. Demographic data can be used to forecast the revenue needed to meet the needs of the Part C program and ultimately for program planning and strategic financial planning, including budget development. Fiscal and related data also can be used to identify, diversify, and expand funding sources to support and sustain the Part C program—for example, to increase Medicaid and/or Temporary Assistance for Needy Families (TANF) funding and to maximize potential revenue from third-party payers.

This document is divided into four sections:

- * the importance of collecting fiscal data;
- * what fiscal data should be collected and where those data can be located;
- * sample templates for planning data analysis; and
- * a glossary of fiscal terms that are important to establish a common terminology.

The information will give state Part C lead agency staff, regardless of the type of funding methodology that is utilized, a basic understanding of how fiscal data can support strategic financial planning for the state's Part C program.

The Importance of Fiscal Data



"What is the financial obligation for my system?"

"How much funding will I need to cover the increasing number of children in my system?"

"Which fund sources are being used?"

"What is the average cost per child?"

"What are the amount and percentage of funding by source of funding?"

"What does the percentage of revenue from each program fund source look like compared to the percentage of children eligible for the program?"

These questions and many others are critical for appropriate fiscal management of each state Part C early intervention system. Regardless of the Part C lead agency (health, education, or other), eligibility criteria, or the state service delivery structure, the Part C Coordinator and other lead agency staff members need to have a thorough understanding of all aspects of the financing mechanisms that support both high-quality services and the infrastructure needed to achieve positive outcomes for infants and toddlers with special needs and their families as well as administrative costs to support the system. Infrastructure costs include required components such as personnel development, monitoring, data systems, technical assistance etc. Administrative costs include charges for utilities, equipment, rent, and indirect costs, among others.

The fiscal challenge for every Part C Coordinator is to develop a comprehensive picture of the fiscal obligations (payments for infrastructure, administrative costs, and direct services) of their state Part C system. States can begin to understand their financial obligations by incorporating the following **cost information** into their data system(s):

1. Total number of service units, both planned and actually delivered;
2. Service coordination expenses;
3. Costs related to the first 45 days, including evaluation costs for children who are not determined to be eligible;
4. State and local infrastructure and obligations (e.g., contracts for data management, technical assistance, professional development and monitoring activities);
5. Part C lead agency administrative costs (e.g., rent, utilities, transportation etc); and
6. Part C local agency infrastructure and administrative costs, including cost allocation for overhead costs, chief executive officer and other executive staff compensation.

Without an understanding of the current costs needed to support the Part C system, appropriate budget development, funding allocation, and program and project development will be difficult. Most state Part C early intervention systems cannot apply the traditional methodology for identifying total system costs by reviewing audited financial statements because of the diverse service delivery, fiscal data collection and varying funding methodologies across states. In addition, the expense of implementing a formal cost study may be beyond the financial capacity of many states. Without knowing the costs of providing the six components identified above, it is impossible to appropriately plan for increasing child counts or to ensure that Part C lead agency obligations related to meeting the IDEA Part C statutory and regulatory requirements are funded at a level that will promote high-quality services and optimal child and family outcomes.

In addition to cost information, the Part C lead agency will need to collect accurate information about the constellation of **revenue sources** that are used to support costs of the Part C system. In all states, funds for the Part C system come from a variety of sources. By Congressional intent, Part C was designed to coordinate already existing federal, state, and local resources. Although some of the federal funding sources will be common across most states, such as Federal Part C and Medicaid, other sources of funding will vary depending on the state Part C lead agency, historic funding patterns, and states' systems of payment policies. To maximize the use of the many types of available funds, information and data about each child's differing programmatic eligibilities (e.g., Medicaid, State Children's Health Insurance Program [SCHIP], Children with Special Health Care Needs [CSHCN], etc.) and funding sources (e.g., private insurance, Title V Maternal and Child Health programs, developmental disabilities agencies) used by the individual states will need to be included in the data collected by Part C.

Using preliminary findings from the 2014 Finance Survey conducted by the IDEA Infant & Toddler Coordinators Association (ITCA), most states can report the names of the funding sources used at either the state or local level. However, of the 47 states responding to the survey, only 15 (32%) can actually report the dollar value generated by each funding source. Revenue information should be tracked on an

individual child/family basis for all sources, such as Medicaid, state funds, and private insurance, with efforts made to collect data about all sources of program revenue including local available funds to pay for services and support program infrastructure and administration.

What Data Should Be Collected and Where They Are Located

Regardless of the methodologies a state uses to pay for service provision (i.e., state can use one or more of the following: central finance, fee for service, capitated rate, and/or grants/contracts), the same data elements should be collected to support effective fiscal management (Table 1). Part C state leadership needs to obtain this information on an annual basis at a minimum, whether the data elements are included in an online data reporting system or in paper format. The basic fiscal data important to Part C are **revenue and expenditure data** overall and by source of funding:

- * IDEA/Part C state dedicated funding;
- * public insurance;
- * private insurance; and
- * all other federal, state, and local funding sources.

These fiscal data should be available in aggregate amounts at the state level and for each local program.

In addition to these financial data, child/family demographic data should also be collected and used, such as data that indicate whether children or families have special or complex needs, socioeconomic data such as family income and family size to determine federal poverty levels, and whether children are enrolled in Medicaid or other public insurance or have private insurance coverage.

Finally, data about services, those authorized and those actually delivered, must be collected because personnel and services costs are the primary cost drivers of the Part C program.

Table 1. Essential Data Categories and Data Elements for Fiscal Data Analysis

Data Category	Elements	Location of Data
Child and family demographics	<ul style="list-style-type: none"> • Child name • Diagnosis (ICD 9/10) • Program eligibilities • Family income and size • Primary home language 	<ul style="list-style-type: none"> • Child record
Service data	<ul style="list-style-type: none"> • Frequency/intensity of each service authorized • Frequency/intensity of each service delivered • Type of services 	<ul style="list-style-type: none"> • IFSP (Individualized Family Service Plan)
Program data	<ul style="list-style-type: none"> • Charges by service billed • Revenue received, by source of funding 	<ul style="list-style-type: none"> • Local provider agency fiscal records
Lead agency data	<ul style="list-style-type: none"> • Staff administrative costs • Infrastructure obligations and payments 	<ul style="list-style-type: none"> • State lead agency fiscal records
Local provider data	<ul style="list-style-type: none"> • Revenue received, by source of funding • Staff administrative costs • Infrastructure obligations and payments 	<ul style="list-style-type: none"> • Local program fiscal records

A growing number of states have electronic data systems that provide a wealth of programmatic and fiscal information, but not every state has the comprehensive information that would support optimal analysis at the Part C lead agency level. Having access to this kind of information will support the Part C lead agency's ability to answer important fiscal policy questions. Fiscal and related data elements are not universally collected and located in the Part C early intervention data system(s) in states. Often, these data are available via local program collections, county or provider fiscal reports, and service provider/practitioner data collections. Some data may be accessed through the state data system, whereas other data elements will need to be gathered through other means (e.g., spreadsheets, document review).

When considering mechanisms for collection of important data elements for answering key questions, the Part C lead agency should determine whether these data are collected as part of contract and procurement collections and processes during budget cycles or end-of-year fiscal efforts. These data collections occur in different ways for a Part C system where services are administered via grants/contracts versus fee for service. Once the Part C lead agency has the ability to collect and analyze the data, basic fiscal policy questions as well as more complicated questions can be addressed. The Part C lead agency will be well on its way to greater fiscal accountability and effective strategic financial planning.

Data Analysis Templates

Presented here is a template for planning data analysis. Three examples are shown to illustrate how states can use the template to identify the financial data elements to collect, collect the data, and use the data to answer important questions: (1) What is the financial obligation for a system? (2) What is the average cost per child for children served in a state's Part C system? (3) How much additional funding will a state need to cover an increased number of children entering the Part C system in the next fiscal year?

Example 1. Financial Obligation
Policy Question: <i>What is the financial obligation for my state Part C system?</i>
Data Elements Needed for Analysis:
<p>The data elements needed to identify the level of financial obligation for a state's Part C early intervention system are the following:</p> <ul style="list-style-type: none"> • Child data: <ul style="list-style-type: none"> – Program eligibility • Planned service data <i>for fee-for-service structures</i> <ul style="list-style-type: none"> – Units of service authorized – Service rates (by service type in some states) • Units of service delivered, by service type • Grant/contract amounts and payments rendered <i>for grants/contract payment structures</i> • Infrastructure and administrative cost data: <ul style="list-style-type: none"> – Fiscal obligations such as training contracts, data contracts, monitoring expenses that are not directly related to service provision – Lead agency personnel/salary obligations

Example 1. Financial Obligation (continued)

Analysis, Recommendations, and Considerations:

Scenario A: Fee-for-Service Payment Structures

To begin the process of answering *What is the financial obligation for my system?* the lead agency must tackle this issue on two data fronts. The state needs to collect at any point in the fiscal year:

1. the amount of service units authorized coupled with service rates for these obligated services (i.e. direct service obligations); and
2. administrative and infrastructure obligations.

Considerations & Recommendations:

- Measuring the financial obligations for a state's Part C early intervention system requires looking at the data by fiscal year. For this analysis, the Part C lead agency should have a data collection system that allows the collection of service units authorized. These units should identify dates for service authorizations and tie those dates to the fiscal year time frame.
- These authorized service units represent the upper limit of service authorizations. No system experiences a 100% ratio of delivered service units to authorized service units. However, these direct service authorized units represent the total possible obligations of the Part C service system.
- Service rates must also be captured and analyzed as part of any such effort. Essentially, multiplying the service units authorized for the rest of the current fiscal year by the service rate produces the maximum direct service obligation costs in a system that uses a fee-for-service funding methodology.
- Multiyear analysis can help states obtain more precise cost estimates for budget development. That is, developing an understanding of the percentage of service units *delivered* relative to service units *authorized* is an important analysis needed to obtain more precise budget projections in fee-for-service payment systems.
- To produce a comprehensive picture of the total fiscal obligations, the Part C lead agency must add to these direct service cost obligations all infrastructure service cost obligations (such as personnel development contracts/obligations, monitoring) and other Part C lead agency fiscal obligations (such as training contracts, data contracts, monitoring expenses that are not directly related to service provision)

Scenario B: Grants/Contract/Capitation Payment Structures

To begin the process of answering *What is the financial obligation for my system?* the Part C lead agency must tackle this issue on two data fronts. The state needs to collect at any point in the fiscal year:

1. the amount of remaining contract payments due to service providers via grants and contracts (this model assumes capitated contracts/grants whereby contractors must abide by contractual amounts/obligations); and
2. the infrastructure and administrative fiscal obligations (such as training contracts, data contracts, monitoring expenses, utilities etc.) that are not directly related to service provision.

Considerations & Recommendations:

- Measuring the financial obligations for a state's Part C early intervention system requires looking at the data by fiscal year. For this analysis, the lead agency should have a data collection system(s) that allows the collection of all grant/contract obligations and payments rendered.
- To produce a comprehensive picture of the total fiscal obligations, the Part C lead agency must add to these direct service cost obligations all infrastructure service cost obligations (such as personnel development contracts/obligations, monitoring) and other Part C lead agency fiscal obligations (such as training contracts, data contracts, monitoring expenses that are not directly related to service provision)

Example 1. Financial Obligation (continued)	
Example of Calculation	
Calculation 1.1 Scenario A. Fee-for-Service Payment Structures: What is the financial obligation for my Part C system?	
1. Total Direct Services Obligations	
A State Part C system has 125,000 authorized service units pending (units are 1 hour each) and a service rate of \$85 per hour. Multiplying the direct service units authorized and the service rate provides the total obligation for planned pending services.	$125,000 \text{ hours} \times \$85 \text{ per hour} = \$10,625,000$
2. Total Infrastructure and Administrative Obligations	
A Part C lead agency has infrastructure and administrative service obligations (training, monitoring, data contracts/ expenditures, utilities etc.) of \$245,000 per month, and 9 months are remaining in the fiscal year. Multiplying the infrastructure and administrative service obligations per month and the number of remaining months in the fiscal year provides the total infrastructure and administrative service obligations.	$\$245,000 \text{ per month} \times 9 \text{ months} = \$2,205,000$
3. Total Financial Obligation	
The total financial obligation is the sum of the obligations for planned services and infrastructure and administrative service obligations.	$\$10,625,000 + \$2,205,000 = \mathbf{\$12,830,000}$
Calculation 1.2 Scenario B. Grant/Contract Payment Structures: What is the financial obligation for my system?	
1. Amount of Remaining Contract Payments	
A Part C lead agency has 10 contracted service providers, each receiving \$200,000 every month. Nine months are remaining in the fiscal year. Multiplying the number of contractors by the remaining months provides the amount of contract payments remaining.	$10 \text{ contracted service providers} \times \$200,000 \text{ per month} \times 9 \text{ months} = \$18,000,000$
2. Total Infrastructure and Administrative Service Obligations	
A Part C lead agency has infrastructure and administrative service obligations (training, monitoring, data contracts/expenditures) of \$245,000 per month and 9 months are remaining in the fiscal year. Multiplying the infrastructure and administrative service obligations per month and the number of remaining months in the fiscal year provides the total infrastructure and administrative service obligations.	$\$245,000 \text{ per month} \times 9 \text{ months} = \$2,205,000$
3. Total Financial Obligation	
The total financial obligation is the sum of the remaining amount due to service providers and infrastructure and administrative service obligations.	$\$18,000,000 + \$2,205,000 = \mathbf{\$20,205,000}$

Example 2. Cost per Child

Policy Question: *What is the average cost per child for children served in the state's Part C program?*

Data Elements Needed for Analysis:

The data elements needed to calculate the average cost per child are:

- Child data:
 - Enrollment status, e.g., IFSP date or enrollment date
 - Program eligibility, e.g., children referred and evaluated but ineligible, children who were eligible but did not enroll in services
- Services data:
 - Units/amount of service delivered, by service type
 - Dates of service
 - Service rates, by service type (if fee for service)
- Program data:
 - Grant/contract amounts and payments rendered *for grant/contract payment structures (this includes expenditures for services not reimbursed on a fee-for-service basis)*
- Administrative cost data:
 - Fiscal expenditures not connected to direct service, such as training contracts, data contracts, monitoring expenses, lead agency personnel/salary expenditures

Analysis, Recommendations, and Considerations:

1. Determine the total number of children served by the Part C program during the reporting period.
2. Determine the total expenditures during the reporting period. Total expenditures will be determined differently depending on the reimbursement methodology used in the state. See the two scenarios for methods based on (a) fee for service and (b) grants/contracts. Note that some states may use a combination of these two methods.
3. Average cost per child = Total expenditures/Number of children served.

Scenario A: Expenditures Based on Fee-for-Service Payment Structures

1. Determine the total number of service units provided in the reporting period.
2. Determine the total reimbursement for service units provided (number of service units provided in the reporting period multiplied by reimbursement for each service type).
3. If applicable, determine all other expenditures for services not reimbursed on a fee-for-service basis, e.g., child find or eligibility determination.
4. Determine the expenditures for administrative costs not directly tied to service provision, including those for the lead agency.

Considerations & Recommendations:

- For this analysis, the Part C lead agency needs to have a data collection system that allows for the collection services provided. These units of service should reflect the service type (e.g., physical therapy, special instruction) and the dates of service. If data for services provided are not available, authorized services data could be use, but this will probably overstate expenditures because the amount of services provided is usually less than the amount authorized.
- Service reimbursement rates must also be captured and analyzed as part of any such effort.
- Infrastructure and administrative expenditures such as those for professional development, monitoring and general supervision must be added to direct service expenditures to obtain total expenditures for the state Part C program.

Example 2. Cost per Child (continued)

Scenario B: Expenditures for Grants/Contract Payment Structures

- Determine the amount of payments made to local programs/entities via grants and contracts. Determine other program expenditures not related to direct services, including those for the lead agency.

Considerations & Recommendations:

- For this analysis, the Part C lead agency needs a data collection system(s) that captures payments rendered for grant/contracts.
- Infrastructure and administrative expenditures such as those for professional development, monitoring and general supervision must be added to direct service expenditures to derive total expenditures for the state Part C program.

Example of Calculation

There are several ways to calculate the average cost per child, depending on what is used in the denominator to reflect “number of children served” and depending on the reporting period.

Calculation 2.1 Average cost per child served per month.

1. The total expenditures for the year are \$120,000,000.
2. The average number of children served per month is 20,000.
3. Dividing the total expenditure per year by 12 months produces total expenditures per month. Dividing that by the number of children per month produces the average cost per child per month.

$$\begin{aligned}
 & \$120,000,000 \text{ per year} \\
 & \text{divided by } 12 \text{ months} \\
 & \text{divided by } 20,000 \text{ children} \\
 & = \$500 \text{ per child per month}
 \end{aligned}$$

Note: If data on expenditures and number of children served are available monthly or even quarterly, rather than just for year-end, the average cost per child can be calculated more frequently.

Calculation 2.2 Average cost per child for the total number of children served in a year.

1. The total expenditures for the year are \$120,000,000.
2. The total (cumulative) number of children served in the year is 36,000.
3. Dividing the total expenditures for the year by the total (cumulative) number of children served in the year provides the average cost per child served.

$$\begin{aligned}
 & \$120,000,000 \text{ per year} \\
 & \text{divided by } 36,000 \text{ children} \\
 & = \$3,333 \text{ per child per year}
 \end{aligned}$$

Note: If this calculation methodology is used more frequently than annually (e.g., quarterly), both the numbers for expenditures and children served will increase over the course of the year, gradually approaching the year-end result.

Considerations & Recommendations:

- A measure of the average cost per child is important because it provides information on the cost of providing services to children. These data can be used for projecting future expenditures and evaluating performance.
- If the state has expenditure data by revenue source, a separate cost per child may be calculated for federal, state, and local funds, or for a specific revenue source, such as Medicaid.
- If the state has expenditure data for each local program, the average cost per child could be calculated for each local program/entity. These costs could then be compared across programs relative to service levels and characteristics of the children/families served.
- It is important to note the assumptions behind the average cost per child, and what’s included. For example, expenditures include those for children who were referred and evaluated and may not have been eligible or who were eligible but did not enroll in services. This is an important point when explaining these data.

Example 3. Additional Funding Needed

Policy Question: *How much additional funding will the state need to cover the increased number of children (as a result of changing eligibility criteria or increased child find) entering my Part C system in the next fiscal year?*

Data Elements Needed for Analysis:

The data elements needed to identify the amount of funding that will be required to reimburse providers for an increased number of children are:

- Child data:
 - Program eligibility
 - Referral date
 - Eligibility determination date
 - IFSP date
- Service data:
 - Units of service authorized by service type
 - Units of service delivered by service type
- Program data:
 - Revenue received by source

Analysis, Recommendations, and Considerations:

Once the average cost per child has been determined, the process of estimating the total additional state funding needed to meet the Part C lead agency's obligations for an increasing number of children in the Part C system can begin. Whether reimbursement is distributed on a fee-for-service basis or by grants/contracts, the process remains the same.

1. Determine the average cost per child.
2. Multiply the projected increased number of children by the average cost (See the third item in the *Considerations & Recommendations* section below).
3. Determine the percentage of children with other program eligibilities.
4. Determine what percentage of the average cost per child is paid for by each source of funding
5. Subtract the anticipated revenue (from the other sources) from the total cost of the additional children to be served in the next fiscal year.

The resulting balance will be the new funds needed to pay for the additional children to be served in the next fiscal year.

Considerations & Recommendations:

- The financial program eligibility for each child needs to be identified. Knowing the percentage of children by source of funding ensures that the Part C lead agency understands how many children have no other program eligibility and will need to have their services fully reimbursed with state funding. Monitoring these data over several years allows for trend analysis and more appropriate budget projections. That is, the state needs to know its potential reimbursement from any specific source of funding which will be based on the percentages of children with each potential source of funding (e.g., private insurance, Medicaid funding).
- The ability to identify the average reimbursement per child by each funding source will allow for projections of anticipated reimbursement from that fund source.
- The number of children transitioning from Part C should be compared with the number of children projected to enter Part C. If the rate of entry is increasing but the rate of transition matches the entry rate, the lead agency should not see an overall increase in needed funding. If the rate of entry exceeds the rate of transition, the lead agency will need to identify new funding or cut its obligations in other system components.
- The amount of additional state funds needed can be estimated by analyzing the program eligibilities of the enrolled children. Tracking program eligibility allows for trend analysis. If over several years, the Medicaid enrolled population has been 60%, the lead agency can expect the same figure with the expanded population. Being able to calculate the per-child reimbursement from Medicaid enables the Part C lead agency to reduce the additional state funding needed by that amount.

Example 3. Additional Funding Needed (continued)

Example of Calculation

Calculation 3.1 Additional funding needed to cover expenses.

<ol style="list-style-type: none"> 1. The average cost per child per month is \$500. In the previous year, the state served 2,500 children per month at an expenditure of \$1,250,000 per month 2. The anticipated growth rate is 5% or an additional 125 children per month. The lead agency will need an additional \$62,500 per month. 3. Of the 125 new children, 60% are projected to be enrolled in Medicaid. 4. Medicaid will pay for 40% of the \$500 average cost per enrolled child per month, or \$200 per enrolled child per month. 5. Of the 125 new children, 40% (50 children) will need full state funding for monthly services (\$500 per month), and 75 children will need 60% state funding (\$300 per month) to support the difference between what Medicaid will pay and the monthly cost per child. Total new state funding needed is the sum of the per-month costs for the new children (\$47,500). 	$2,500 \text{ children} \times \$500 \text{ per child per month} \\ = \$1,250,000 \text{ per month}$ $2,500 \text{ children} \times .05 = 125 \text{ new children}$ $125 \text{ new children} \\ \times \$500 \text{ per child per month} \\ = \$62,500 \text{ per month}$ $125 \text{ new children} \times .60 \\ = 75 \text{ children enrolled in Medicaid}$ $\$500 \text{ per child per month} \times .40 \\ = \$200 \text{ per child paid by Medicaid}$ $50 \text{ new children} \times \$500 \text{ per child per month} \\ = \$25,000 \text{ per month}$ $75 \text{ new enrolled children} \times \$300 \text{ per month} \\ = \$22,500 \text{ per month}$ $\$25,000 \text{ per month} + \$22,500 \text{ per month} \\ = \mathbf{\$47,500 \text{ per month}}$
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Glossary

- **Analysis** - A systematic examination and evaluation of data by breaking the data into its component parts to uncover their interrelationships. *<http://www.businessdictionary.com>*
- **Audit** - Systematic examination and verification of an organization's books of account, transaction records, other relevant documents, and physical inspection of inventory by qualified accountants (auditors). *<http://www.businessdictionary.com>*
- **Budget** - An estimate of costs, revenues, and resources over a specified period, reflecting a reading of future financial conditions and goals. *<http://www.businessdictionary.com>*
- **Capitation** - A method of payment for health services in which an individual or institutional provider is paid a fixed amount for each person served without regard to the actual number or nature of services provided in a set period of time. HMOs characteristically use this payment method. *A Glossary of Fiscal Terms and Acronyms in Money Matters (August 1998) MN House Fiscal Analysis Department on Government Finance Issues.*
- **Central Finance:** A funding methodology that is based on a "pay and chase" model where the early intervention provider/organization receives a payment from a state fiscal agent and the fiscal agent subsequently bills the most appropriate source of funding based on the individual child's program eligibilities.
- **Contract financing payments** - Funds transferred from a contractee to a contractor as advance payments, interim payments, performance-based payments, progress payments, and/or other such payments. *<http://www.businessdictionary.com>*
- **Cost, infrastructure** - An expense incurred in supporting required components of the Part C system such as personnel development, general supervision and monitoring, child find, data systems etc. *Adapted from <http://www.businessdictionary.com>*
- **Cost, direct service** - An expense that can be traced directly to (or identified with) early intervention service provision as identified on the IFSP. *Adapted from <http://www.businessdictionary.com>*
- **Cost, administrative** - An expense (such as for computing, maintenance, utilities, security, supervision) incurred in joint usage and, therefore, difficult to assign to or identify with a specific cost object or cost center (department, function, program). Administrative costs are usually constant for a wide range of output. *Adapted from <http://www.businessdictionary.com>*
- **Cost, total** - The addition of all costs-direct, infrastructure and administrative. *<http://www.businessdictionary.com>*
- **Expense** - Money spent or cost incurred in an organization's efforts to generate revenue, representing the cost of doing business. Expenses may be in the form of actual cash payments (such as wages and salaries), a computed expired portion (depreciation) of an asset, or an amount taken out of earnings (such as bad debts). *<http://www.businessdictionary.com>*
- **Expenditure** - Payment of cash or cash-equivalent for goods or services, or a charge against available funds in settlement of an obligation as evidenced by an invoice, receipt, voucher, or other such document. *<http://www.businessdictionary.com>*
- **Fee for service** - A method of purchasing health care services under which a physician or other practitioner charges separately for each patient encounter or service rendered, as opposed to the

capitated method of payment. *A Glossary of Fiscal Terms and Acronyms in Money Matters* (August 1998) MN House Fiscal Analysis Department on Government Finance Issues.

- **Federal poverty guidelines (FPG)** - An index of poverty in the United States that is updated annually; the measure forms the basis of eligibility for a number of means-tested programs. *A Glossary of Fiscal Terms and Acronyms in Money Matters* (August 1998) MN House Fiscal Analysis Department on Government Finance Issues.
- **Fiscal Data:** Any data element that refers to funding a government, organization and/or provider earns, spends, and/or owes.
- **Obligation:** Amount of funds that are needed to pay for costs (i.e., direct services, infrastructure, and administrative costs).
- **Revenue** - The income generated from provision of early intervention services and received from a variety of sources of funding. Revenue is income without any consideration of actual cost. Revenue is shown usually as the top item in an income (profit and loss) statement from which all charges, costs, and expenses are subtracted to arrive at net income. Adapted from <http://www.businessdictionary.com>