

Treatment of Costs under the 10% Administrative Cap for Ryan White HIV/AIDS Program Parts A, B, C, and D

Treatment of “Rent” and Other Facilities Costs Incurred to Provide Core Medical and Support Services to Eligible RWHAP Clients

RWHAP Parts A and B Sub-recipients and Part D Recipients (Grantees)

The portion of direct facilities expenses such as rent, maintenance, and utilities for areas primarily utilized to provide core medical and support services for eligible RWHAP clients (e.g., clinic, pharmacy, food bank, substance abuse treatment facilities) are not required to be included in the 10% administrative cost cap. Note: by legislation, all indirect expenses must be considered administrative expenses subject to the 10% cap.

Clarifications

For all recipients (grantees) and sub-recipients funded by RWHAP Parts A, B, C, or D, the following programmatic costs are not required to be included in the 10% limit on administrative costs; they may be charged to the relevant service category directly associated with such activities:

- Biannual RWHAP client re-certification;
- The portion of malpractice insurance related to RWHAP clinical care;
- The portion of fees and services for electronic medical records maintenance, licensure, and annual updates, and staff time for data entry related to RWHAP clinical care and support services;
- The portion of the clinic receptionist’s time providing direct RWHAP patient services (e.g., scheduling appointments and other intake activities);
- The portion of medical waste removal and linen services related to the provision of RWHAP services;
- The portion of medical billing staff related to RWHAP services;
- The portion of a supervisor’s time devoted to providing professional oversight and direction regarding RWHAP-funded core medical or support

service activities, sufficient to assure the delivery of appropriate and high-quality HIV care, to clinicians, case managers, and other individuals providing services to RWHAP clients (would not include general administrative supervision of these individuals); and

- RWHAP clinical quality management (CQM). However, expenses which are clearly administrative in nature cannot be included as CQM costs.

Applicability to Sub-recipients

RWHAP Parts A and B Sub-recipients

RWHAP Part A and B recipients (grantees) must ensure that the aggregate total of sub-recipient administrative expenditures does not exceed 10% of the aggregate total of funds awarded to sub-recipients. Sub-recipient administrative expenses may be individually set and may vary; however, the aggregate total of sub-recipients' administrative costs may not exceed the 10% limit.

Sub-recipient administrative activities include

- usual and recognized overhead activities, **including established indirect rates** for agencies;
- management oversight of specific programs funded under the RWHAP; and
- other types of program support such as quality assurance, quality control, and related activities (exclusive of RWHAP CQM).

As a reminder: all indirect costs charged by the sub-recipient are considered an administrative cost subject to the 10% aggregate limit.