

UPAAA UNIT-RATE REIMBURSEMENT DETAIL DIRECT CARE COST CALCULATION

The purpose of this form is for the applicant to inform the UPAAA of their cost to produce an hour (unit) of service. A separate form must be completed for each service requested unless more than one service will have the same unit rate. ***Note: All services EXCEPT Legal Services & Caregiver Training & Education will be unit-rate reimbursed and must be reported through the NAPIS System.***

1. Expense and revenue figures must be reported as a component of the total cost of producing a single unit. Applicants are encouraged to develop a budget for each service in order to accurately determine the level of reimbursement that needs to be requested.
2. The total cost to produce a unit must be reflective of the actual cost to produce a unit of service. **Units provided through other resources cannot be reimbursed with Aging Services funding.**
3. Do not allocate any costs to Program Income. Though providers must make an effort to collect program income, such revenue will not become part of the approved unit rate. Program income will instead be used to expand the number of units provided under the program. Example: The approved unit rate is \$10.00. Over the course of the fiscal year, \$200.00 in donations are received. The provider will then be required to produce an additional 20 units without additional reimbursement. *Program income is to be reported on a quarterly basis using the UPAAA Subcontractor Local Match & Program Income Report form, available electronically in an Excel format at www.upcap.org under the tab Doing Business with UPCAP.*
4. Total Administrative Costs (Supervisory & Indirect) **is not included on this form and will be calculated by the CFO @ UPCAP.** Direct labor costs are those costs directly associated with the provision of services. Direct staff costs must be accurate and may be subject to an audit. For the purpose of this agreement, direct labor costs are defined (but not limited to) the following:

Direct staff base wages, fringe benefits such as FICA, unemployment, workers compensation, health/dental/disability insurance, retirement, mileage, travel (non-productive time), overtime, holiday & vacation time, and shift differentials. Additional costs which may be allowable as direct labor costs might include the cost of payments to conferences/training attended by non-supervisory staff. All other costs shall be deemed as either supervisory or indirect administrative costs unless specifically agreed by both parties.
5. It is expected that all costs associated with the production of a unit of service will be reflected in your bid. Should any applicant that faces competition during a particular funding cycle submit misleading information regarding their costs, which has the effect of lowering their bid price, the UPAAA will refuse that bid. If an award is made and a contract executed prior to discovery of a misleading bid, the portion of the executed contract that is based upon misleading information will be immediately terminated and a new Request for Proposals issued. An example of what would be construed as a misleading bid follows: An agency seeking UPAAA funding already receives funds through a local millage for senior programming. This agency has a personal care unit cost of \$12 and is competing with another agency that may be able to provide this service for less money. To make its bid appear more competitive, \$8 is reported to UPAAA as the total unit cost without disclosure that local aging monies are paying for 1/3 of the actual cost.
6. The Hourly Direct Care Cost Calculation Form is available electronically in an Excel format at www.upcap.org under the tab Doing Business with UPCAP.