Strong Memorial Hospital
FY21 Operating Budget Instructions

UR Budget Provider Model

Refer to Provider Model instructions on the UR Budget website for information on how to budget for providers (https://www.rochester.edu/adminfinance/urbudget/resources/budget-tools/). ***Please note that you must include work RVU's regardless of company.*** If professional revenue has converted to SMH, wRVUs still need to be captured for compensation modeling and for revenue calculations. In addition, please pay special attention to defining administrative roles in View 1.

UR Budget Plan File (Labor)

1. **Faculty and APP:** Make sure you agree with Faculty and APP positions and dollars being allocated to the FAO from Provider Model. If you do not agree, reach out to the Provider Group Administrator to review and discuss. The listing can be found on the tools section of the UR Budget website here: https://www.rochester.edu/adminfinance/urbudget/resources/budget-tools/. Changes can be made to Faculty and APP allocations until the system closes – make sure to check these allocations in the Labor Tab throughout the budget process. Any incremental positions should be budgeted for through a BIP.

2. **Residents, Fellows, Postdocs, and Resident Non-MD:** If an FAO has budget dollars in either *SC58250 Resident and Fellows* or *SC57750 Fellow and Postdocs* there will be an attachment uploaded to the FAO Plan File with instructions on how to budget. Complete the worksheet and input the salary and benefit budget into the Summary Tab as indicated. These positions are not budgeted on the Labor Tab.

3. **Staff:** The Labor Tab will force all staff FTE to the CYB (authorized FTE). To change the CYB in UR Budget you will need to submit an FTE modification through SMH Finance.
    a. For a jobcode with a CYB (authorized FTE) value but no employees populated, make sure that a vacant position has been added so the job code adjustments work appropriately
    b. CYB (authorized FTE) values will continue to be updated throughout the budget process to reflect any approved modifications. You can either add/remove positions to balance back to the CYB or let the UR Budget system auto-adjust to the updated CYB using the average rate in the jobcode.
    c. Any vacant position added will default to the vacancy rate (110% of the hiring range minimum)

4. **Overtime, Shift Differential, On-Call, Holiday Premium, and Add'l Earnings**: No budget should be added unless previously budgeted in the FAO. To change the budgeted amount for any of these categories a detailed worksheet must be attached outlining the changes and assumptions.
    a. Ensure that the spread for added dollars in these categories is correct
    b. BWH Holiday Premium (hours) is paid in the following months for FY20:

Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
8	0	8	0	0	16	16	8	0	0	0	8

5. Special Considerations:
    a. If extra compensation is budgeted, the associated benefits need to be manually entered in the Staff Benefits (Lump Sum) SC46250 line on the Summary Tab. This amount will need to be added to any Resident benefit amounts which will be budgeted for in the same place.
    b. Wage and salary is included as a company level driver in each Labor Tab. This is a placeholder and may change during the budget process.

6. For additional information on the Labor Tab of the Plan File, please reference the QRC located in the training section of the UR Budget website: https://www.rochester.edu/adminfinance/urbudget/training/quick-reference-cards-qrcs/

UR Budget Plan File (Summary)

1. **Revenue**:
    a. Other Operating Revenue (Ledger 46000) should be budgeted in individual FAO files:
        i. Update FY20 OOR Projection in the Summary Tab
        ii. Input FY21 budget *and spread* in the Summary Tab
            1. Attach support for the FY21 OOR calculations to the FAO file
            2. FY21 budget should only reflect changes to the core budget, any incremental OOR should be input through a BIP
    b. Patient care revenue and adjustments will be budgeted either through the Provider Model (professional billed revenue), or by the SMH Finance revenue team at the end of the budget process (similar to prior years). These should not be budgeted for directly in the FAO file by departments.

2. **Salary**:
    a. Most salaries will populate the Summary Tab from the inputs in the Labor Tab. The exception to this is any salary line that uses the 'base + changes' method (extra compensation, resident, undergraduate students, etc.). These should be budgeted for in the Summary Tab as appropriate.

3. **Non-Salary**:
    a. Review all remaining non-salary items in the FAO. Additional information related to the Summary Tab can be found on the QRC page in the UR Budget website located here: https://www.rochester.edu/adminfinance/urbudget/training/quick-reference-cards-qrcs/
    b. Any mid-year budget modification or BIP will have additional budget dollars added to the FY21 preliminary budget to annualize partial year amounts.
        i. For example - if a FY20 budget modification added $80,000 in medical supplies for Nov-June, an annualization amount of $40,000 will be added to the FY21 preliminary medical supplies budget. This makes it so the whole year expense of $120,000 is included in the FY21 budget submission.
    c. Use the FY20 Projections to compare to FY21 budget
        i. Update FY20 projections as needed

ii. Make any budget-neutral changes between spend categories as needed, adding comments to indicate where each budget change was made
iii. Any increase in budget dollars needs to have proper documentation as to the need and total dollar amount. Please attach a detailed analysis along with any supporting documentation and indicate the change in the comment section. Questions or concerns related to these increases should be addressed with SMH Finance throughout the budget process.

d. If you cannot find the correct subtotal group to add a spend category to your plan file, refer to the 'Sub-Total to Ledger Account to FAC Map' document on the UR Budget website here: https://www.rochester.edu/adminfinance/urbudget/resources/budget-tools/

4. Update any spreads that do not follow the default spread methodology. Be sure to account for the leap year coming out of the FY21 budget.

5. Special Considerations:
   a. Assessment budgets will be completed by SMH Finance for hospital FAOs, they will not automatically calculate from the revenue coming into the plan file.
   b. QA budgets should be budgeted as a normal FAO while staying within the authorized budget amount
   c. Comments should be included with any changes made
   d. Update external rent based on agreements/contracts in place
   e. No spend categories should include inflation. Various inflation adjustments will be addressed on a company level.

Reporting

1. Run the following reports (some specific to SMH) to review your hospital budget:
   a. URB204 SMH Salary Summary
      i. ***Use this report to evaluate hospital FTEs*** – the 'Jobcode Adjustment' view will show you total FTEs included in the plan file AND offsetting jobcode adjustments that push the jobcode back to authorized FTEs. Other PCW/FTE views and reports may not include jobcode adjustments and cannot be used to evaluate total FTEs included in your SMH budget.
   b. URB103 Form B
   c. URB203 Salary and Benefit Summary
   d. URB105 Modification Summary

Business Improvement Plan Information

1. A Business Improvement Plan will be required for all clinical and academic expansions of new programs that include incremental expenses and corresponding revenues or fund transfers from other UR Medicine entities. Example scenarios that require a BIP:
   a. Adding new Faculty or APP's to capitalize on patient demand
   b. Adding APP's to meet demand or optimize provider efficiency
   c. Expanding Clinic Hours to meet patient needs while requesting incremental staffing
   d. Opening a new location either locally or regionally

e. Recruiting a Regional Physician that will be a PSA to an Affiliated or Non-Affiliated Hospital
f. Hospital-Based Conversions – outlining incremental revenue enhancements or expense reductions
g. Acquisitions
h. New Equipment that will support new clinical volumes

2. A Business Improvement Plan is not required when requesting incremental resources to meet organic growth. Requests to maintain benchmark staffing levels while experiencing increased volume will be built directly into the base or core budget. Requests will still require justification along with productivity measures to ensure efficient use of resources (example #2 below). Additionally, replacement faculty will not require a BIP. Rare exceptions may exist if the replacement is in a highly specialized area or if the department anticipates multiple replacements for a single departure. Divisional Finance will provide guidance on exceptions. Example scenarios that do not require a BIP:
    a. Replacement of a Faculty with no significant change anticipated
    b. Increased support staff to support growing physician volumes (ex. OAS, nurses, techs, etc.) – Productivity Measure still needed
    c. New pharmacy drugs to treat existing patients
    d. Routine renewal & replacement of equipment to support clinical programs
    e. Replacing staff vacancies
    f. Inflationary or trend increases in the existing budget

Cost Cntr Title	SMH Finance Representative
Admin and Support Svcs	Emily Kinch
Ambulatory Svcs	Emily Kinch
Anesthesiology	Nabina Shrestha
Cancer Center	Luke Haffen
Capital Investment	Christine Sands
Clinical Dentistry	Dina Donohue
Clinical Engineering	Dina Donohue
Continuity of Care	Emily Kinch
Dermatology	Stephen Zukoski
DSRIP	Emily Kinch
Emergency Medicine	Jim Walton
Environmental Services	Emily Kinch
Facilities	Emily Kinch
Fire and Emergency Planning	Emily Kinch
Food and Nutrition Svcs	Stephen Zukoski
Friends of Strong	Emily Kinch
Health Information Mgmt	Dina Donohue
Imaging Sciences	Renee Williams
Information Systems	Dina Donohue
Legal Counsel	Dina Donohue
Materials Mgmt	Emily Kinch
Medical Director	Emily Kinch
Medical Education Office	Dina Donohue
Medicine	Nabina Shrestha
Medicine Heart and Vascular	Nabina Shrestha
Neurology	Stephen Zukoski
Neurosurgery	Stephen Zukoski
Nursing Svcs	Jim Walton
Obstetrics and Gynecology	Jim Walton
Operating Director	Emily Kinch
Ophthalmology	Stephen Zukoski
Organ Procurement	Dina Donohue
Organ Transplant	Dina Donohue
Orthopaedic Surgery	Renee Williams
Otolaryngology	Stephen Zukoski
Pathology and Laboratory Medicine	Luke Haffen
Patient Accounting	Stephen Zukoski
Pediatrics	Jim Walton
Perioperative Svcs	Nabina Shrestha
Pharmacy	Luke Haffen
Physical Medicine and Rehabilitation	Renee Williams
Psychiatry	Dina Donohue
Quality Assurance	Emily Kinch
Radiation Oncology	Luke Haffen
Respiratory Care	Jim Walton
Strong Medical Associates	Jen Presutti
Surgery	Renee Williams
Urology	Renee Williams