

**GEORGIA INSTITUTE OF TECHNOLOGY  
MANDATORY FEES REQUESTED FOR FISCAL YEAR 2014**

**Mandatory Fee:** Health Services

**Current Fee Level FY13:** \$154

**Proposed Fee Level FY14:** \$160

**FY 2012 Revenue:** \$7,535,028

**Fee Review Organization:** Student Health Advisory Committee

**Current Use of Revenue**

Health Services is an outpatient ambulatory center that provides healthcare and health education to students and their spouses/domestic partners. Our state-of-the-art, 40,000-square-foot facility within the Joseph Brown Whitehead Building, provides primary care, women's health, psychiatry, travel, immunization and allergy care. There is on-site pharmacy, laboratory and radiology as well as nutrition services. Our medical staff consists of board certified physicians, certified nurse practitioners and physician assistants. Our professional staff also includes registered nurses, medical assistants, pharmacists, health educators, and laboratory and radiology technologists. Appointments are required for most services.

*General Services Covered by the Health Fee*

- Unlimited visits to a clinician in Primary Care and Women's Health. Limited visits to Psychiatry.
- Other services include
  - X-ray/interpretation by radiologist
  - Consultations with a pharmacist
  - EKG
  - Travel Clinic consultations
  - Urgent care & first aid
  - Flu shots
  - Some lab tests
  - Pregnancy testing
  - Health Promotion services
  - Blood pressure screening

*The health fee allows the following services to be offered at a low cost:*

- Psychiatry Clinic
- Laboratory testing
- Allergy Clinic
- Prescriptions
- HIV testing
- Gynecological testing
- Medical/orthopedic supplies
- Nutrition consultations
- Travel medications

Students may receive services based on enrollment at Georgia Tech and payment of the health fee or on a fee-for-service basis. Students taking 4 hours or more are automatically assessed this fee and are eligible upon registration. Students taking less than 4 hours, taking a semester off from class or participating in a cooperative program may receive services by paying the health fee or on a fee-for-service basis. Students' spouses and domestic partners are also eligible with payment of the health fee or on a fee-for-service basis.

### **Explanation of FY2014 Fee Request**

Health Services has an excellent track record of financial stewardship and providing high quality care to students at affordable rates. Last year the MSFAC approved increased funding of \$6, but the increase was not approved by the Board of Regents (BoR). The BoR also stated that Health Services should use money from reserves to cover increasing costs. The FY2014 budget will use \$274,048 from reserves. Health Services is proposing a \$6 fee increase for FY2014. This fee increase is needed for the following:

1. Staffing and operating expenses related to opening a new medical clinic and increased hours in psychiatry. This will allow for increased availability of appointments to meet the growing needs of the student population.
2. Increases in operating costs incurred from our suppliers for services, supplies and technical support.

### **Consequences if Request for Fee Increase is Not Approved**

If MSFAC does not approve an increase in funding it will be necessary for Health Services to cost share with patients for the above services and limit or eliminate ongoing and planned initiatives.

**GEORGIA INSTITUTE OF TECHNOLOGY**  
**FY2014 Health Fee Request Addendum**

**What is the purpose/use of this fee?**

Health Services is an outpatient ambulatory center that provides healthcare and health education to students and their spouses/domestic partners. Our state-of-the-art, 40,000-square-foot facility within the Joseph Brown Whitehead Building, provides primary care, women's health, psychiatry, travel, immunization and allergy care. There is on-site pharmacy, laboratory and radiology as well as nutrition services. Our staff consists of board certified physicians and certified nurse practitioners and physician assistants. Our professional staff also includes registered nurses, medical assistants, pharmacists, health educators, and laboratory and radiology technologists. Appointments are required for most services.

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## Mandatory Fee Request Form

Fiscal Year 2014

Institution Name: Georgia Institute of Technology

### Section I

Name of Fee: Health Fee - Spring / Fall

Type of Fee: Health PPV Fee? No

New fee or existing fee? Existing

Fund Code: 12240 Account Code(s): 406100, 406104, 406105, 406106, 406107, 406108

Current Fee Amount	Incremental Increase Request	Requested Fee Amount	Requested % Increase
\$ 154	\$ 6	\$ 160	4%

Current Budgeted Revenue	Projected Fee Instances	Projected Incremental Revenue Increase at Requested Level	Total Projected Revenue at Requested Level
\$ 5,834,906	37889	\$ 227,334	\$ 6,062,240

**What is the purpose/use of this fee?** *(You should be as detailed as possible. Attach additional documentation as necessary)*

Please see attached narrative.

**How will the incremental revenue be used?** *(You should be as detailed as possible. Attach additional documentation as necessary)*

Incremental revenue will be used to cover increased operating costs.

### Section II

**Financial Data:** Please complete the Financial Data Sheets and the Detail of Revenue Sheets for this Fee. The financial data must be completed even if no fee increase is being requested.

As of June 30, 2012	Total Revenues	Total Expenditures	% of Revenue Expended
	\$ 7,535,028.00	\$ 6,867,295.00	91%

**Provide explanation if % of revenue expended is less than 80%**

#### Available Fund Balance Information as of June 30, 2012

\$ 3,020,121.00	Fund Balance per General Ledger
\$ 249,831.00	Encumbered funds as of June 30, 2012
\$ 496,157.00	Reserved for Renewals and Replacements as of June 30, 2012
\$ 2,274,133.00	Available Fund Balance as of June 30, 2012

#### Provide explanations for planned uses of available Fund Balance:

Small renovations to clinic space, portable ultrasound, backup storage for electronic health records data in FY13. From FY14-FY22 we are planning for an additional renovation and we plan to replace servers & network electronics (both production & test environments), storage arrays, x-ray equipment, hematology analyzer, autoclave, pharmacy refrigerator, and colposcope.

# Mandatory Fee Request Form

Fiscal Year 2014

Institution Name: Georgia Institute of Technology

## Section III

### Questions and Answers:

(1) Is this fee required for all students regardless of the number of credit hours taken, method of delivery (i.e. distance learning), etc. ? If no, please explain.

No

Please see attached narrative.

(2) What positions, if any, are being funded through this fee? Please list the positions.

All Health Services positions are funded by the health fee.

(3) Is this fee being used to cover employee travel? If yes, please explain.

Yes

All Health Services expenses are covered by revenue. The fee is used to cover dues, registrations, travel, and professional development for all staff.

(4) Are significant changes to the fee amount anticipated within the next three (3) years?

No

If yes, please list.

(5) Does this fee support any type of debt service? If yes, please explain in detail.

No

(6) Other than the student fee committee, what percentage of the student body was made aware of the fee? How was the student body at large informed and/or engaged in the process (i.e. town hall meetings, online surveys, etc). Please explain and/or attach appropriate documentation. Were these actions taken before or after the student committee vote?

Health services provides financial and operational information to the Student Health Advisory Committee (SHAC) in support of a fee request. When the fee request is approved by the SHAC, budget planning continues in preparation for the first MSFAC meeting. The health fee request is also posted at [www.health.gatech.edu](http://www.health.gatech.edu) in November.

(7) Please list all reports/documents that were provided to the student fee committee prior to the committee vote (i.e. detailed budget reports, prior year revenue, expenditures and reserves, presentations, etc.)?

The MSFAC receives documentation of what the health fee covers, budget spreadsheets, and narrative explanations along with any additional documentation that they request.

# Mandatory Fee

Fiscal Year 2014

## Financial Data

Detail of Revenue Projection  
Health Fee

Institution: \_\_\_\_\_

	A		B		C		D = A x C		E		F = C x E	
Fee Detail	FY 2011 Actual Rate	FY 2012 Actual Rate	FY 2013 Current Rate	FY 2013 Number of Participants	FY 2014 Number of Participants	Projected FY 2014 Revenue with Current Rate		FY 2014 Proposed Rate	Projected FY 2014 Revenue with Proposed Rate			
Fall/Spring	150	154	154	37,889	37,889	5,834,906		160	6,062,240			
Summer	100	103	103	6,820	6,820	702,460		107	729,740			
<b>TOTAL</b>						<b>6,537,366</b>			<b>6,791,980</b>			

**NOTES:**

- (1) Under different Auxiliary Units there may be several fee types. If your institution has various fees under any one unit list out each fee individually with the applicable description.
- (2) If you have a different fee level for different types of participants, please list each category separate (i.e. if you charge a lesser fee for students in less than full time credit hour categories).

# Mandatory Fee

Fiscal Year 2014

## Financial Data

Health Fee

Institution: Georgia Institute of Technology

	A	B	C	D	E	F
					= (F - D)	
				FY 2014	Revenue	FY 2014
			FY 2013	Projected	Generated by	Proposed
5834906	FY 2011	FY 2012	Current	Budget	Rate	Budget
	Actual	Actual	Budget	w/o Fee Increase	Increase	w/ Fee Increase
<b>Revenue</b>						
<b>Fee Revenue - Fall &amp; Spring</b>	6,241,746	6,481,720	5,655,958	5,834,906	227,334	6,062,240
<b>Fee Revenue - Summer</b>			723,678	729,740		729,740
<b>Fee Revenue - Language Institute</b>				34,760		34,760
<b>Planned Reserve Amount to be Used (NEW)</b>				274,048		274,048
<b>Non-Fee Revenue (list Individually)</b>						
Clinic and Pharmacy	730,713	989,169	880,713	966,734		966,734
Psychiatry Clinic	33,059	26,795	37,000	40,000		40,000
Dental Clinic	77,201	0	0	0		0
Dental Space Lease	0	5,662	35,000	42,468		42,468
Interest Income	38,610	31,682	36,662	30,310		31,334
<b>Total Revenue</b>	<b>\$ 7,121,329</b>	<b>\$ 7,535,028</b>	<b>\$ 7,369,011</b>	<b>\$ 7,952,966</b>	<b>\$ 227,334</b>	<b>\$ 8,181,324</b>
<b>Cost of Goods Sold</b>						
<b>Net Revenue</b>	<b>\$ 7,121,329</b>	<b>\$ 7,535,028</b>	<b>\$ 7,369,011</b>	<b>\$ 7,952,966</b>	<b>\$ 227,334</b>	<b>\$ 8,181,324</b>
<b>Expenditures</b>						
Personal Services (Including Fringes)	4,655,185	4,838,015	5,151,715	5,718,175		5,718,175
Travel	31,663	21,119	29,900	31,400		31,400
Supplies and Materials	321,218	264,830	253,850	267,505		267,505
Repairs and Maintenance	75,753	111,012	77,581	85,885		85,885
Telecommunications	51,240	47,890	52,740	52,740		52,740
Contracted Services	332,952	358,221	306,686	325,824		325,824
Lease Payments (Debt Service)	0	0	0	0		0
Software	18,650	0	0	0		0
Equipment Non-capitalized	16,898	4,975	62,000	54,800		54,800
Equipment Capitalized	0	0	0	0		0
Scholarships	0	0	0	0		0
Auxiliary Services Administration	190,771	192,126	356,265	427,915		427,915
Plant Allocation	0	0	0	0		0
Other Expenses, <i>please list if significant.</i>						
Pharmacy Supplies	507,817	449,398	500,000	500,000		500,000
Institute Overhead	125,682	138,331	152,164	156,729		156,729
Operation and Maint of Facilities	128,692	147,130	163,423	184,934		184,934
Utilities	82,396	117,566	154,951	131,980		131,980
Depreciation	189,976	176,682	269,636	224,417		224,417
<b>Total Expenditures</b>	<b>\$ 6,728,893</b>	<b>\$ 6,867,295</b>	<b>\$ 7,530,911</b>	<b>\$ 8,162,304</b>	<b>\$ -</b>	<b>\$ 8,162,304</b>
<b>Surplus (Deficit)</b>	<b>\$ 392,436</b>	<b>\$ 667,733</b>	<b>\$ (161,900)</b>	<b>\$ (209,338)</b>	<b>\$ 227,334</b>	<b>\$ 19,020</b>
<b>Cumulative Fund Balance</b>	<b>\$ 392,436</b>	<b>\$ 1,060,169</b>	<b>\$ 898,269</b>	<b>\$ 688,931</b>		<b>\$ 917,289</b>
<b>% of Revenue Expended</b>	0.94489287	0.911382811	1.021970384	1.026322004	0	0.997675193

**Mandatory Fee**  
Fiscal Year 2013 For FY2014 Fees

**Financial Data**  
**Health Services**

**Interim Financial Analysis**

Institution: Georgia Institute of Technology

	A	B	C	D	E	F	G
			FY 2013 MSFAC Approved	FY 2013 Current Projection	(D-C) FY 2013 Variance Current-Approved	FY 2013 Actual 1st Quarter FY2013	Explanation of Significant Variances
<b>Revenue</b>	FY 2011 Actual	FY 2012 Actual	Budget	Projection	Current-Approved	1st Quarter FY2013	
<b>Fee Revenue - Fall &amp; Spring</b>	5,604,906	5,756,458	5,876,320	5,880,136	3,816	3,075,215	
<b>Fee Revenue - Summer</b>	636,840	725,262	723,678	725,000	1,322	292,925	
Non-Fee Revenue <i>(list Individually)</i>							
Clinic Misc	463,904	570,424	371,613	462,659	91,046	115,382	With increased enrollment we are seeing increased ancillary use.
Pharmacy	266,809	418,746	483,209	400,000	-83,209	66,740	Due to SHIP direct billing, we now have a significant A/R balance.
Psychiatry Clinic	33,059	26,795	37,000	32,725	-4,275	6,291	
Dental Clinic	77,201	0	0	0	0	0	
Dental Space Lease	0	5,662	35,000	35,000	0	8,493	
Interest Income	38,610	31,682	38,185	31,350	-6,835	4,537	Market yield of investments has decreased.
<b>Total Revenue</b>	<b>7,121,329</b>	<b>7,535,029</b>	<b>7,565,005</b>	<b>7,566,870</b>	<b>1,865</b>	<b>3,569,583</b>	
<b>Expenditures</b>							
Personal Services (Including Fringes)	4,655,185	4,838,015	5,255,461	5,186,715	-68,746	1,230,579	Some positions are unfilled.
Travel	31,663	21,119	29,900	31,000	1,100	3,927	
Supplies and Materials	321,218	264,830	253,850	275,000	21,150	70,837	
Repairs and Maintenance	75,753	111,012	77,581	77,581	0	18,326	
Telecommunications	51,240	47,890	52,740	52,740	0	2,269	
Contracted Services	332,952	358,221	266,686	425,000	158,314	254,396	Hired contract pharmacists during staff vacancies in pharmacy.
Equipment Not Capitalized	16,898	4,975	62,000	62,000	0	6,384	
<b>Indirect Operating Expenses</b>							
Auxiliary Administration and Tech support	190,771	192,126	356,265	356,265	0	91,552	
Pharmacy Supplies	507,817	449,398	558,224	500,000	-58,224	447,234	Prescription fills are down from FY12.
Institute Overhead	125,682	138,331	152,164	152,164	0	0	
Operation and Maint of Facilities	147,342	147,130	163,423	163,423	0	33,471	
Depreciation	189,976	176,682	269,637	191,432	-78,205	47,858	Some equipment is beyond useful life and no longer being depreciated.
Utilites	82,396	117,566	154,951	131,980	-22,971	28,491	Costs are estimated to be lower this FY.
<b>Total Expenditures</b>	<b>6,728,893</b>	<b>6,867,295</b>	<b>7,652,882</b>	<b>7,605,300</b>	<b>-47,582</b>	<b>2,235,324</b>	
<b>Surplus (Deficit)</b>	<b>392,436</b>	<b>667,734</b>	<b>-87,877</b>	<b>-38,430</b>	<b>49,447</b>	<b>1,334,259</b>	
<b>Cumulative Fund Balance</b>	<b>392,436</b>	<b>1,060,170</b>	<b>972,293</b>	<b>1,021,740</b>			

**M**andatory

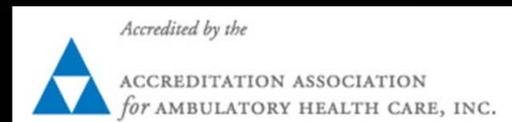
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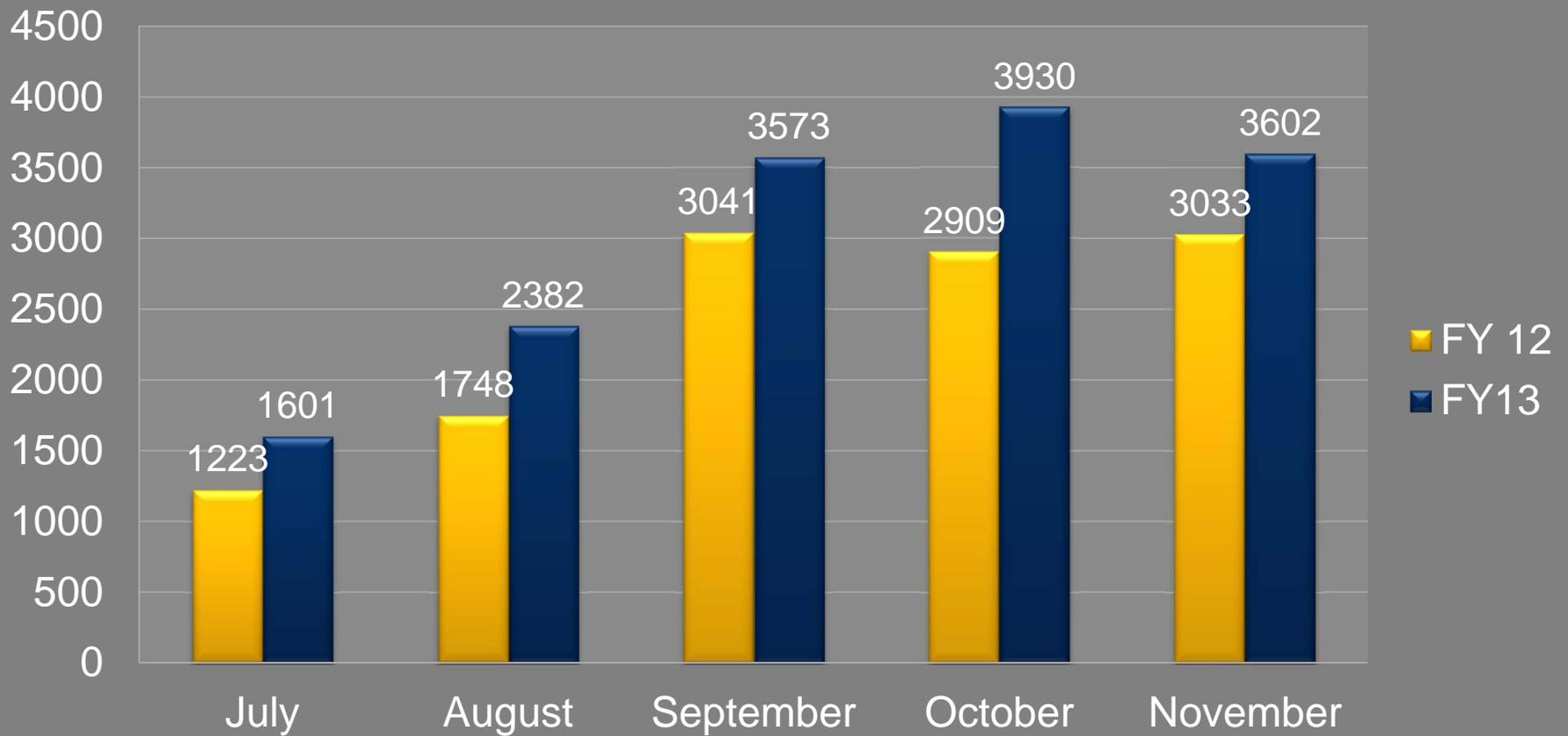
**C**ommittee

**December 5, 2012**



# Appointments

## Total Appointments (Primary Care, Women's Health, Psychiatry)



# Appointments (Primary Care, Psych, Women's)



## Interim Financial Analysis

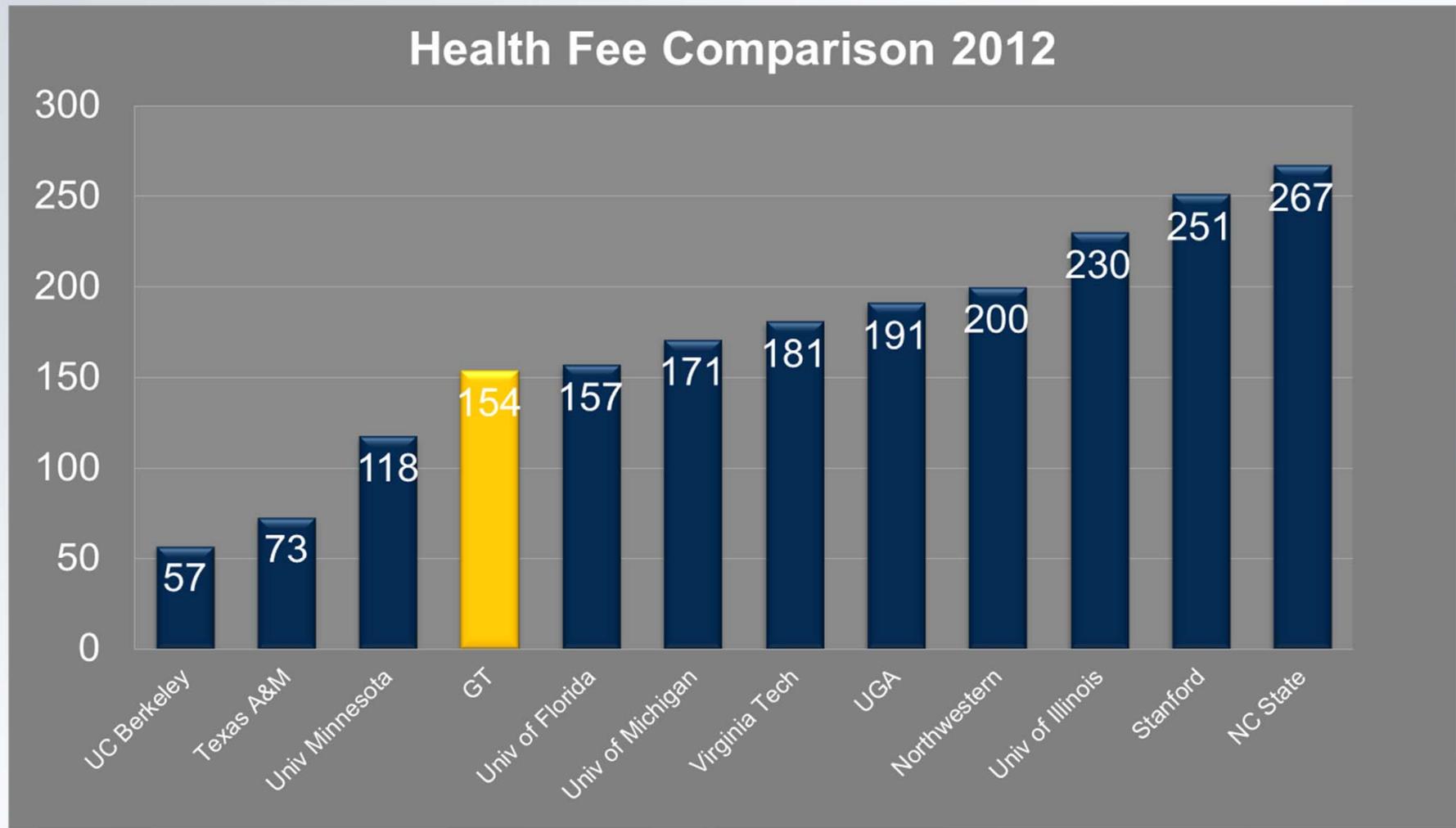
- After reviewing our 1<sup>st</sup> quarter financial performance for FY2013, we are projecting the following:
  - Increased enrollment for Fall 2012 will increase revenue by 3% over budget.
  - Realize a reduction in depreciation expense and utilities.
- Increased enrollment and reduction in depreciation expense/utilities eased the impact of the \$6 health fee not being approved.
- Our projected FY2013 budget is as follows:

➤ Total Revenue	\$7,566,870
➤ Total Expenses	<u>\$7,605,300</u>
➤ Net Income (loss)	(\$38,430)

# Productivity

	July 2011-June 2012
Patient Visits	29,636
Flu Shots	2,149
Pharmacy Fills	20,838
Immunizations	2,455
Allergy Injections	1,219
Lab Tests	17,161
X-rays	<u>1,169</u>
<b>Total</b>	<b>74,627</b>

# Health Fee Benchmarks



## Current Status at Health Services

### Two sides of the coin

- Enrollment for Fall 2012 increased 2.9% or 616 students.
- FY2013 Actual (July-Nov), Health Services has seen a 26% (3,134) increase in total appointments.
  - ✓ Primary Care up 29%
  - ✓ Women's Health up 17%
  - ✓ Psychiatry up 14%
- A large increase in appointments also creates operational challenges downstream.
  - ✓ Laboratory
  - ✓ Pharmacy
  - ✓ Support areas (medical assistants, front desk, EHR support)



# Current Status at Health Services

## Other factors

- In FY2012, patient volume constrained due to construction, institution of EHR and accreditation activities.
- In FY2013, patient volume has quickly rebounded and exceeds baseline. Contributing factors include but are not limited to the increase number of providers and exam rooms, increase in SHIP enrollment and acuity of patients.
- Evidence of unmet demand.



## Student Health Insurance Program Enrollment

- **SHIP (BCBS of Georgia) enrollment for Fall 2012 increased by 17%.**

**FY2012 =4,686 students enrolled**

**FY2013 =5,504 students enrolled**

## Current Status at Health Services

### On the other side of the coin....

- **Increased enrollment and a decrease in utilities and depreciation expense have helped to offset the net loss projected for FY2013. This means we will not be asking for the \$6 not approved last year.**
- **In response to our FY2013 fee request, the BoR stated that Health Services should use reserves as one way to cover increasing costs.**
- **However, it is important to note that enrollment and decreased expenses must remain constant in FY2014 or a significant net loss will result.**



## Primary drivers for increased health fee

1. Increasing demand for services
2. Increasing IT costs



# Proposed plan

Drivers	Proposed Plan
<p>1. Increased demand for service and appointment availability</p>	<p>a. Establish a new primary care team</p> <ul style="list-style-type: none"> <li>• Blue Care Team</li> <li>• Gold Care Team</li> <li>• <u>NEW Care Team</u></li> </ul> <p>b. Add staff to support the new care team</p> <ul style="list-style-type: none"> <li>• Mid level Provider (Nurse Practitioner/Physician Assistant)</li> <li>• Medical Assistant</li> <li>• Licensed Practical Nurse</li> </ul> <p>c. Increase psychiatrist FTE</p>
	<p>d. Increase support for ancillary areas</p> <ul style="list-style-type: none"> <li>• Certified Pharmacy Technician</li> <li>• Phlebotomist</li> <li>• Customer Service Representatives</li> <li>• Increase EHR support by 25%</li> </ul>
<p>2. Use reserves to help cover increasing costs</p>	<p>a. Use \$274,048 from reserves</p>

# FY2014 Priorities

Description	Change from FY 13 Budget Amount	Total (Includes benefits)
<b>Personal Services</b>		
Increase Psychiatrist by 12.5%	\$18,750	\$24,000
Pharmacy Technician	\$29,000	\$37,120
Phlebotomist	\$29,290	\$37,491
Mid Level Provider	\$88,000	\$112,640
Licensed Practical Nurse	\$31,200	\$39,936
Medical Assistant	\$28,829	\$36,901
Customer Service Representative 2	\$28,829	\$36,901
Customer Service Representative 2	\$28,829	\$36,901
Increase database report writer by 25%	<u>\$12,225</u>	<u>\$15,648</u>
<b>Personal Services Total</b>	<b>\$312,320</b>	<b>\$399,770</b>
<b>Non-Personal Services</b>		
Increase in ITG Support	\$86,974	\$86,974
Travel, Registration Fees, Dues for new positions	<u>\$ 5,500</u>	<u>\$ 5,500</u>
<b>Non-Personal Services Total</b>	<b>\$92,474</b>	<b>\$92,474</b>
<b>Total</b>		<b>\$492,244</b>

# Health Fee

FY2014 Priorities	<b>\$492,244</b>
Use of Reserves	<b><u>\$274,074</u></b>
Unfunded Priorities	<b>\$218,170</b>

# Health Fee History

- **Despite medical inflation outpacing overall inflation, the health fee has increased less than all other mandatory fees over the past decade.**
- **Ten year average annual fee increase (FY2012)**

Athletics	14.8%
Transportation	11.9%
Technology	8.4%
Student Activity	6.3%
Health	4.3%

# Proposal

## 3.9% (\$6) increase in the student health fee

FY2013 Health Fee	\$154
Proposed FY2014 Health Fee	\$160

***\* Unanimously approved by the  
Student Health Advisory Committee  
11/27/2012***



**Thank You!**

# Budget

	FY2013 Approved Budget	FY2014 Proposed Budget
<u>Revenue</u>		
Fee Revenue	\$6,379,636	\$6,799,460
Non-Fee Revenue	\$989,375	\$1,080,427
From Reserves	-0-	\$274,048
<b>Total Revenue</b>	<b>\$7,369,011</b>	<b>\$8,153,935</b>
<u>Expenditures</u>		
Personal Services (Including Fringes)	\$5,151,715	\$5,718,175
Direct Operating Expenses	\$914,071	\$937,530
Contracted Services	\$306,686	\$325,824
Equipment	\$62,000	\$54,800
Institute Overhead	\$152,164	\$156,729
Indirect Operating Expenses	\$674,639	\$744,829
Depreciation	\$269,636	\$224,417
<b>Total Expenditures</b>	<b>\$7,530,911</b>	<b>\$8,162,304</b>
<b>Surplus (Deficit)</b>	<b>\$(161,901)</b>	<b>\$(8,369)</b>