

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
Public Health Service
Health Services Administration
Indian Health Service
Rockville, Maryland 20852

INDIAN HEALTH SERVICE CIRCULAR NO. 7507

MONTHLY REPORT OF STATUS OF REIMBURSEMENT FUNDS

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1. PURPOSE. This circular prescribes procedures for reporting reimbursement funds on a monthly basis, in the IHS Service appropriation.
2. DEFINITIONS.
 - A. Reimbursements: Reimbursements are repayments to IHS Service appropriation for commodities, work, or services furnished, or to be furnished by IHS, usually under contract or agreement. Miscellaneous reimbursements consist of transactions such as collections for non-beneficiary treatment, and proceeds of sale of equipment not "traded in" but replaced within, a year. Items not considered reimbursements are proceeds of sale of equipment not replaced within a year, business concessions, telephone pay stations, occupational therapy items, fees from abstracts, receipts from Indians able to pay for care, and cash for meals.
 - B. Reimbursement Funds. The amount authorized by the Office of Management and Budget for estimate purposes and subsequently, apportioned by the Office of Management and Budget (and made available in the allotment). Such reimbursement funds are those amounts estimated to be earned and collected for commodities or services furnished. To the extent that amounts so earned and subsequently collected do not equal the amount estimated, the allotments are adjusted accordingly.
 - C. Direct (Program) Funds. The amount secured for Indian Health Service programs through appropriation processes.
3. GENERAL. Reimbursements are earned by an Indian Health Service program when the services or commodities are furnished, to the requesting office. Funds received in payment for work performed are credited to the appropriation (not allowance account) from which the

expenditures were paid. Adjustments to individual allowance in keeping with anticipated reimbursements are accomplished through the Indian Health Service allowance process, with the issuance of Form PHS 114-3 advice of allowance.

Advance authority for use of reimbursement funds must be included in the apportionment request to the OMB. If, during the course of the fiscal year, the estimated amount of reimbursements exceeds the initial amount that was authorized by the OMB at the beginning of the fiscal year, the area Financial Management Office should immediately report to Headquarters Financial Management. A reapportionment requesting additional authority must be secured by Headquarters Financial Management from the OMB. The Indian Health Service Financial Management Branch will use the Monthly Report of Status of Reimbursement Funds required by this procedure and formal notifications as the basis for these requests to the OMB. The notifications and monthly reports must be accurate and timely so that authority to use reimbursement funds can be obtained in advance to prevent reimbursable expenses from being absorbed by direct (program) funds. In addition, the amount reported monthly to the IHS Financial Management Branch has a bearing on any reserve that may be placed against the reimbursement funds previously apportioned by the OMB for use. Special attention should be given to the fact that the amount of reimbursement could result in funds appropriated for the Indian health program being used to subsidize activities of another agency. In estimating miscellaneous reimbursements not covered by contracts or agreements, Area Financial Management Offices will use current workload data for non-beneficiary treatment and anticipated sale of equipment for replacement.

4. REPORT OF STATUS OF REIMBURSEMENT FUNDS
 - A. Monthly Reports. To provide the Indian Health Service Financial Management Branch with necessary information for preparing apportionment request, reports to the Health Services, Division of Finance, and for furnishing status of reimbursements funds reports to the programs; Form HSM-63, Monthly Report of Status of Reimbursement Funds, shall be submitted by each Indian Health Service Area Office to Headquarters, Attention: Financial Management Branch, by the 15th of the month following the reporting month. The June report shall be submitted by July 15th or on the submission date of official accounts to the Division of Finance, Health Services, whichever is later. In duplicate.
 - B. Annual Report by Object Classification. An annual report of the total earnings by object classification shall be furnished for each allotment by means of an attachment to the June report.
5. PREPARATION OF FORM HSM-63, MONTHLY REPORT OF STATUS OF REIMBURSEMENT FUNDS (Sample Attached). Items to be included on the report are:
 - A. Reimbursements from other Federal sources. Identify agency and purpose for reimbursement.

B.. Reimbursement from non-Federal source, Identify other party in contracts and agreements or type of transaction for miscellaneous reimbursements.

Column (1), "Reimbursement Source", is self-explanatory. Total amounts by major, object class should be shown. Totals should agree with June annual report by object classification.

column (2) Anticipated Total" is the amount of anticipated earnings authorized by the agreement or the amount of reimbursement authority obtained in the apportionment.

Column (3), "Amount billed to date" must agree with the balances in General Ledger Accounts, 101.3, 110.1, 110.9, and 111.1, 111.9. Account 101.3 is collections of amounts billed; the other accounts are receivables.

Column (4), "Amount Actually Earned to Date" show cumulative earnings for the current fiscal year through the reporting month. This item includes all reimbursable obligations.

Column (5), "Estimated Earnings, Remainder of Current Quarter" - self-explanatory.* This column will not be used when reporting month is further into the fiscal year than the column head calls for. For example, the report for the month of February would have no amount in 5a or 5b. The amount in 5c would be the result of a one month estimate for March, and the amount in 5d would be the estimate for the entire 4th quarter.

Column (6), "Estimated Total Earnings" is the total in Columns (4) plus (5). The total of the June report should agree with Column (3), "Amount Billed to Date", and Column (4), "Earned to Date", Partial billing should be made as of June 30 for services extending into the next fiscal year. ,

6. SUPPLY OF FORMS. Forms will be obtained in accordance with instructions in the PHS Forms Catalog.
7. SUPERSESSION. This circular supersedes IHS Circular No. 61-1 dated January 23, 1961, and Amendment No. 1 dated April 20, 1961.



H. V. Chadwick
Deputy Director
Indian Health Service

Attachment