PURPOSE/POLICY

The purpose of the Family Planning Cost Study is to set reasonable fees that would recoup the costs for the Family Planning program. The Mid-Michigan District Health Department (MMDHD) will complete a cost study for Family Planning every two years at a minimum to gather the information necessary to set reasonable fees for the program that adequately recover costs for the program. The agency will use the results of the cost study as a basis making a recommendation to the Board of Health to set the Family Planning visit fees. Any changes that are within 10% or $10 variance of the current fee not be recommended for a change. Fees for the supplies in Family Planning will be determined by the information gathered in the cost study, the cost of the supplies themselves, and the various reimbursement rates determined by insurance companies as the cost of the supplies changes throughout the year. Medicaid programs are charged the 340B acquisition costs.

PROCEDURE

The Family Planning time study will be completed for two one week periods. The staff will track the time they spend in each functional cost center during this time period. The two time periods will be averaged out to give MMDHD reasonably accurate data to determine the percent of time spent in each of the cost centers. After the data is collected, MMDHD will complete the cost study to bring to the Board of Health to set the Family Planning fees based on the parameters listed above.