

**Service Delivery Methods:** In order to ensure the availability of comprehensive services for their patients, health centers utilize one or more of the following three delivery methods (Column I, II and/or III) to provide a service. A description and the specific requirements for utilizing each of the three services delivery methods are detailed below.

FORM 5A	Column I	Column II	Column III	Not Recorded on Form 5A
Title	Direct (Health Center Pays)	Formal Written Contract/Agreement <sup>1</sup> (Health Center Pays)	Formal Written Referral Arrangement <sup>2</sup> (Health Center Does NOT Pay)	Informal Referral Arrangement
Description	These are services provided directly by the health center and for which the health center pays and bills.	<p>These are services provided on behalf of the health center by another entity via a formal written contract/agreement, where the health center is accountable for paying and/or billing for the direct care provided via the agreement (generally a contract).</p> <p>All such contractual agreements must describe, at minimum:</p> <ul style="list-style-type: none"> <li>--how the service will be documented in the health center's patient record.</li> <li>--how the health center will pay and/or bill for the service.</li> <li>--how the health center's policies and procedures, including the availability of a sliding fee discount program, will apply.</li> </ul>	<p>These are services provided by an entity other than the health center, with which the health center has a <u>formal written referral arrangement</u> (e.g., memorandum of understanding (MOU), memorandum of agreement (MOA) or other formal written arrangement). The actual <u>service is provided and paid/billed for by the other entity (the referral provider)</u>.</p> <p>The MOU, MOA, or other formal written agreement for the referred service must describe, at a minimum:</p> <ul style="list-style-type: none"> <li>--the manner by which the referral will be made and managed, and the process for tracking and referring patients back to the health center for appropriate follow-up care.</li> <li>--how the referred service is made available equally to all health center patients, regardless of ability to pay.</li> </ul>	<p>These are services provided by an entity other than the health center, with which the health center has an <u>informal referral arrangement</u>. No payment is rendered by the health center and the referral provider assumes responsibility for both the treatment plan and billing of the service.</p> <p>For services provided by informal referral arrangements or agreements, the referral and the service and any follow-up care provided by the other entity, are considered outside of the health center's scope of project.</p> <p><b>Informal referral arrangements are not acceptable for the provision of any required service.</b></p>

<sup>1</sup> Health centers should consult with private legal counsel when entering any formal written agreements or arrangements with other entities.

<sup>2</sup> Ibid.

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Is the service in scope?	Yes. Any service delivered via Column I is considered to be within the health center scope of project.	Yes. Any service delivered via Column II is considered to be within the health center scope of project.	No. Any service delivered via Column III itself is not included in the health center's scope of project, <u>but the establishment of the referral arrangement and any follow-up care</u> provided by the health center subsequent to the referral are included in the scope of project.	No. Although HRSA/BPHC recognizes that INFORMAL referral arrangements or agreements may be a key component of the provision of care to the patient population, any service delivered via an informal referral arrangement is not captured on Form 5A and is not part of the health center's scope of project.
Who provides the service <sup>3</sup> ?	Services provided directly by the health center are rendered by salaried employees including National Health Service Corps staff.	Services provided by a formal written contract/agreement are rendered by contractors and/or subrecipients <sup>4</sup> on behalf of the health center where the agreement is generally structured as one of the following: --An individual provider <u>OR</u> a group of contracted providers (e.g. a group practice) with whom the health center has a contract; or	Services provided by a formal written referral arrangement are <u>are rendered by the other entity</u> (the referral provider); however, the health center maintains responsibility for the establishment of the referral arrangement(s) for health center patients and any follow-up care subsequent to the referral.	Services provided by an informal referral arrangement are where the actual service is rendered by the other entity (the referral provider) and this provider is responsible for the treatment plan and billing for the services provided. As these informal arrangements are not part of the scope of project, Health Center Program Requirements are not

<sup>3</sup> Volunteer providers may be considered part of the scope of project, may generate reportable visits for UDS, etc. However health centers must ensure that for all volunteer providers, there is a separate, written agreement. As part of this written agreement, the health center should ensure the volunteer follows all established health center policies/procedures.

<sup>4</sup> Subrecipients can bill on their own as they are eligible to do so as an independent entity.

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		--A subrecipient organization, which is an entity with whom the Health Center Program grantee of record has a HRSA approved subrecipient agreement. The agreement must ensure that the subrecipient organization is meeting all Health Center Program Requirements and that mechanisms are in place by the grantee to ensure ongoing compliance.		applicable (e.g., sliding fee scale).
Documentation of service provision	The visit must be documented in the patient's health center record and be recorded in the annual Uniform Data System (UDS) report appropriately.	The visit must be documented in the patient's health center record and be recorded in the annual UDS report appropriately.	Information from the referral visit must be provided back to the health center for appropriate follow-up care, and will be included in the patient's health center record.	Information from the referral visit <u>should</u> be provided back to the health center for appropriate follow-up care, and included in the patient's health center record.
Where are services delivered <sup>5</sup> ?	Services are generally provided at a service delivery site listed on Form 5B: Service Sites.	Services are generally provided at a service delivery site listed on Form 5B: Service Sites.	Services are generally delivered at a location that would not meet the service site definition and thus is <b>NOT</b> included on Form 5B: Service Sites.	Services are delivered at a location that would not meet the service site definition and thus are <b>NOT</b> included on Form 5B: Service Sites.
Related Documentation	HRSA/BPHC utilizes the Internal Revenue Service (IRS) definition to establish who is an employee, i.e., the individual	HRSA/BPHC utilizes IRS definitions to differentiate contractors and employees. Typically, a health center will issue a Form 1099 to an	All MOUs, MOAs, or other formal written agreements should be on file at the health center.	Not applicable and not captured by HRSA/BPHC for any reporting purposes.

<sup>5</sup> For Column I/II, it is possible that the service is provided at a location that does not meet the service site definition but that is listed on Form 5C: Other Activities/Locations.

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	<p>must receive a salary and a W-2 from the covered entity on a regular basis with applicable taxes and benefits deducted along with coverage for unemployment compensation in most cases.</p> <p>All providers delivering these services should be listed in the organization's Form 2: Staffing Profile. Contract providers or volunteers are not reported on Form 2.</p>	<p>individual who is a contractor. All subrecipient arrangements and contracts with provider organizations for a substantial portion of the grant project (NOT individual providers) must be documented on Form 8: Health Center Agreements.</p>	<p>Any agreements for a substantial portion of the grant project (NOT individual providers) must be documented on Form 8: Health Center Agreements.</p>	