



THE UNIVERSITY OF NEW MEXICO

FINANCIAL INTERACTIONS

UNIVERSITY HOSPITAL AND UNM/HSC

Presented by
Laura Putz
11/09/09

Intercompany Invoicing

- ❖ Financial Interactions routinely occur between UNM, University Hospital (UH), and UNM Medical Group (UNM MG)
- ❖ These interactions can involve either revenue or expense for Health Sciences Center (HSC) or Main Campus
- ❖ UH, UNM MG, UNM / HSC are related entities
 - ❖ These transactions must be tracked differently than other transactions

UNM Hospital



When UH bills HSC

What they bill:

- Salary Agreements
- Catering Charges
- Facility Charges related to Clinical Trials
 - X-rays
 - Blood tests
 - Lab work

When UH bills HSC

Step One:

An Intercompany Agreement



Salary Agreement Form

When UH bills HSC

Step Three:

UH cost centers that provided service to HSC generate monthly report.

Sent to Special
Billing/Referral
Department (SBD)

SBD compiles data and
sends invoices to UA-
HSC

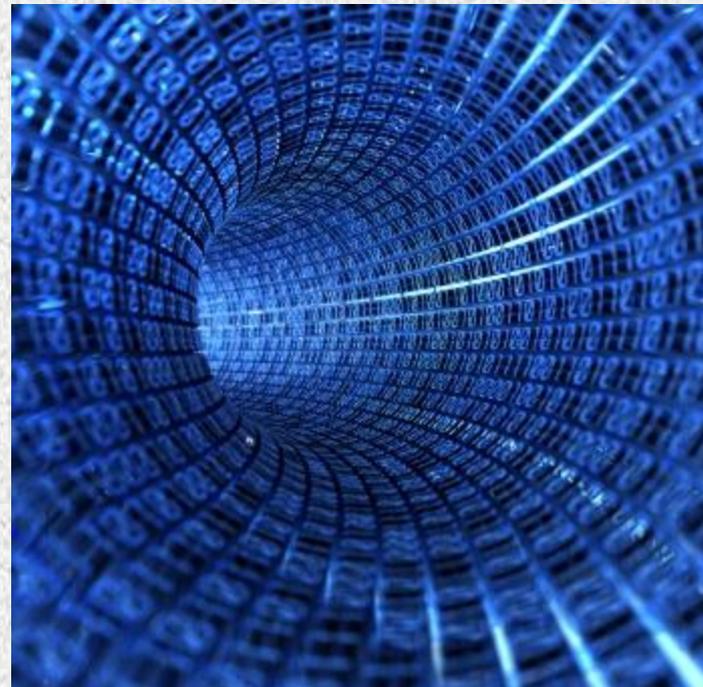


When UH bills HSC

Data evaluated at
Unrestricted Accounting-
HSC and loaded into
Banner Finance

Expense items post to the
index/account code on the
Purchase Requisition

Document number is
“HCXXXXXX”



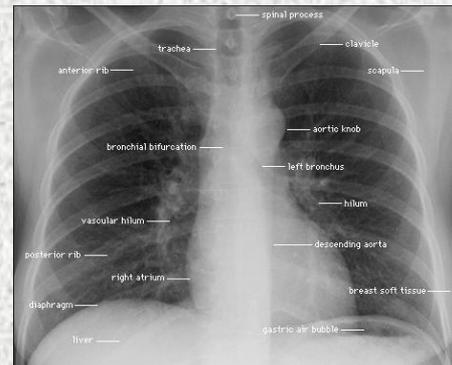
When UH bills HSC

Invoice numbers that begin with:

- **1** are for general services such as salary agreements, lab supplies, or catering
- **3** are credit adjustments for general service invoices
- **5** are related to clinical trials
- **8** are credit adjustments for clinical trial invoices

Clinical Trials Billing

Subjects frequently have certain medical tests completed, such as EKGs, blood test, chest x-rays and other imaging studies.



Clinical Trials Billing

- The clinical trial, not the patient is billed
- Hospital guarantor number beginning with 9999 is assigned the clinical trial and used
- A Referral Billing Questionnaire is completed before services can be provided at UH
- The Referral Billing Questionnaire details what services can be provided and billed to the clinical trial

Clinical Trials Billing

- Timely UH invoice review is critical
- Incorrect invoices charges must be reversed from the clinical trial
- Many payors (ie: patient's insurance company) have 90 day windows during which billing must occur
- UH bills charges from the prior month. **Frequently less than 60 days remain once the department is invoiced for UH to invoice another payor**

Salary Agreement Procedures

UH Employee

1. UH initiates the Salary Agreement and sends to HSC AR Coordinator for tracking and processing
2. HSC AR Coordinator submits the Salary Agreement to the department for consideration.
 - ✓ Obtain department signatures indicating approval
 - ✓ Create Manual Purchase Requisition for department signatures
 - ✓ Return executed documents to HSC AR Coordinator

Salary Agreement Procedures UH Employee

3. The original, fully executed Salary Agreement and Purchase Requisition is mailed to UH Finance.
4. UH Finance contacts Special Billing/Referral Department to initiate monthly invoicing.

Salary Agreement- UH bills HSC

to Wadley 11/200

RECEIVED

NOV 24 2008

HSC FINANCIAL SERVICES

UNM HEALTH SCIENCES CENTER (HSC)
UNM HOSPITAL (UH)
SALARY AGREEMENT FORM
FY-2009

RECEIVED

OCT 13 2008

HSC FINANCIAL SERVICES

DATE PREPARED: 10/01/08 EFFECTIVE DATE: 07/01/08
 END DATE: 06/30/09

The following information is provided for the purpose of recording salary and benefit arrangements between HSC and UNMH.

1 Employee and Department Information:

HSC DEPT: Infectious Disease Clinic UH DEPT: Truman Street Clinic 0101 7186
 Contact Person: Rosalina Hundley 2-8033 Contact Person: Kathleen Atencio 925-6753

HSC EMPLOYEE: _____ UH EMPLOYEE: _____
 SSN: _____ ID #: _____
 Faculty or Staff: _____

JOB TITLE: RN Infectious Diseases III Truman FIE STATUS: 3.00 ANNUAL SALARY: \$ 39,162.24
 (This arrangement shall be in effect for only those days specified above.) HOURLY RATE: \$ 31.38

2 Salary and Benefit Distribution:

	HSC	UH	TOTAL
*SALARY AMOUNT	\$ 39,162	\$ -	\$ 39,162
UNMH BENEFIT AMOUNT @ 33.0%	\$ 12,924	\$ -	\$ 12,924
HSC FACULTY BENEFIT AMOUNT @ 29.5%	\$ -	\$ -	\$ -
HSC STAFF BENEFIT AMOUNT @ 33.0%	\$ -	\$ -	\$ -
PR/PO NUMBER:	TOTAL	TOTAL	TOTAL
	\$ 52,086	\$ -	\$ 52,086

PERCENT BANNER INDEX: UH ACCOUNT(S) to be charged/credited: 100.00% 0.00% 100%

*This Agreement is based on the employee's current salary and does not include any possible wage increase(s).

3 This agreement is prepared due to:

Routine fiscal year renewal Replacement for: _____
 Change in salary or benefit resulting from routine increase or promotion New Agreement _____
 Other: _____

4 Comment: HSC will pay 100% of salary and benefits up to a maximum of \$52,086.78 (\$39,162.24 of salary of benefits). Cap rates are disallowed by legislation. HSC will not pay overtime, shift differential or pay. *5.54

5 Approvals:

HEALTH SCIENCES CTR: _____ Date: _____
 (Unm, Director/Chair or Administrator)

HEALTH SCIENCES CTR: _____ Date: 10/17/08
 (Associate VP, Financial Administrator or Assistant Dean of Administration, or the School of Medicine)

UNM HOSPITAL: _____ Date: 10/9/08
 (Area Administrator)

UNM HOSPITAL: _____ Date: 10/9/08
 (Chief Financial Officer)

SIGN HERE

Internal Requisition- UH bills HSC

Requisition No 353508
 The University of New Mexico

SUGGESTED VENDOR:
 UNM Hospital
 Finance and Payroll
 ATTN: Martha Torress

SHIP TO:
 UNM Department of Internal Medicine
 Truman St. Clinic
 MSC10 5550
 ATTN: Rosalina Hundley

DATE _____
 ORDER TYPE (R/B/O/L/M) _____
 START DATE _____ END DATE _____
 TERMS (NET 30) _____
 F.O.B. _____
 BID/PROPOSAL/SPD/GSA _____
 REFERENCE DATE _____
 DELIVERY DATE _____
 BUYER APPROVAL/NO _____
 VENDOR NO. _____ COMMODITY _____
 INSURANCE _____ PERF. BCND _____
 INS. DATE _____ TAXABLE _____

ORG NO 851N13 DATE 10/31/2008
 DEPT. NAME Internal Medicine/Truman St. Clinic
 USER CONTACT Rosalina Hundley ext-8033
 DATE WANTED _____

BLANKET ORDER
 EFFECTIVE DATES 7/1/2008 TO 6/30/2009

ACCOUNT 1 / INDEX CODE 1	%	\$	ACCOUNT 2 / INDEX CODE 2	%	\$
851921-6920		52,086	ACCOUNT 4 / INDEX CODE 4	%	\$
ACCOUNT 3 / INDEX CODE 3	%				

ITEM	COMM CODE	QTY.	UNIT	DESCRIPTION	UNIT PRICE	EXTENSION
				<input type="checkbox"/> check here if CONFIRMING ORDER ONLY, DO NOT DUPLICATE Salary and benefits for [redacted], RN, for work performed at Truman Street Clinic for FY2009. Overtime and cap are not included. Invoicing is to be done monthly, and not to exceed monthly amount below Monthly salary for .6 FTE for [redacted] \$3,263.50 Monthly benefits 1,077.00 Monthly TOTAL 4,340.50 Total Salary for FY2009 (.6 FTE) \$39,162.00 Benefits for FY2009 12,924.00 TOTAL \$52,086.00 Salary Agreement Attached		

RECEIVED NOV 18 2008

DOIM

AUTHORIZED DEPT SIGNATURE _____
 SIGNATURE NAME (TYPED) Bruce Williams, MD DATE: 11/26/2008 ESTIMATED COST \$52,086.00

CONTACT AND GRANT / ACCOUNTING APPROVAL (SIGNATURE) Pope Moseley, M.D. DATE: _____

CONTRACT TYPE: CONTRACT GRANT COOPERATIVE AGREEMENT OTHER: SPECIFY _____

FUNDING TYPE: FEDERAL STATE PRIVATE OTHER: SPECIFY _____

AGENCY: _____ CONTRACT #: _____

FEDERAL FLOW DOWN CLAUSES

NO 353508

Invoice - UH bills HSC

Index and account code for posting in Banner

INVOICE

The University of New Mexico • HEALTH SCIENCES CENTER
UNIVERSITY HOSPITAL

Country UHM Tax Reference Fax Reference Branch 0000 Page 1

Invoice To: BURNS, B TRUMAN ST. CLINIC
 TRUMAN ST. CLINIC
 ATTN: ROSALINA HUNDLEY
 7/1/08 - 6/30/09
 353508
 85192169

Deliver To: BURNS, B TRUMAN ST. CLINIC
 TRUMAN ST. CLINIC
 ATTN: ROSALINA HUNDLEY
 7/1/08 - 6/30/09
 353508
 85192169

Invoice-Division 134667-JB
 Invoice Date 2-JUL-09
 Order-Line - 0
 Salesman
 Customer UNM0109

Currency USD Rate 1.0000Dollars
 Customer Reference JUN 09 353508
 Customer Contact

Lin S	No.	T	Part Code	Description	Order Number	Despat Note	Quantity	Uom	Price Uom	Discount
1	N			JUN 09 353508			1.00	EA	3512.0300 EA	3,512.03
									Line Value	3,512.03
									Freight	0.00

Tax Analysis

Line Totals	Discount	Freight	Miscellaneous	Discount	Total Tax
3,512.03	0.00	0.00	0.00	0.00	0.00
Total Tax on Freight	0.00				0.00
Total Tax on Misc.	0.00				0.00
Total Line Tax	0.00				0.00
Total Tax	0.00				0.00

Terms NET30 Net due in 30 days
 Fed Tax ID # 85-6003005
 State Tax ID # 01-504209-00-0

Total Invoice Value 3,512.03

Remit payment to:
 University Hospital
 ATTN: *Special Billing/Referral Billing*
 Martha Torrez
 P.O. Box 80600
 Albuquerque, NM 87198-0600

The attached information is confidential. If you are not the intended recipient you are hereby notified that you must not read, copy, print, distribute or use any of the information contained within the attached document. If you are not the intended recipient of this document, please immediately notify Michelle Geuss via telephone at 272-3767 or via email at mgeuss@salud.unm.edu and destroy the document and any attachments without reading or saving in any manner. Thank you for your cooperation.

Internal Requisition Number

General Guidelines

Internal Purchase
Requisition are required

The Requisition number will
be referenced on the invoice

Reference the appropriate
contact person on the
invoice



Travel Reimbursements

UH Traveler submits receipts to UH

Hospital reimburses employee

Hospital bills HSC, using the internal Purchase Requisition generated when the agreement was reached.



UH Catering

Internal Purchase
Requisition Required

HSC Unrestricted
Accounting reviews the
invoices

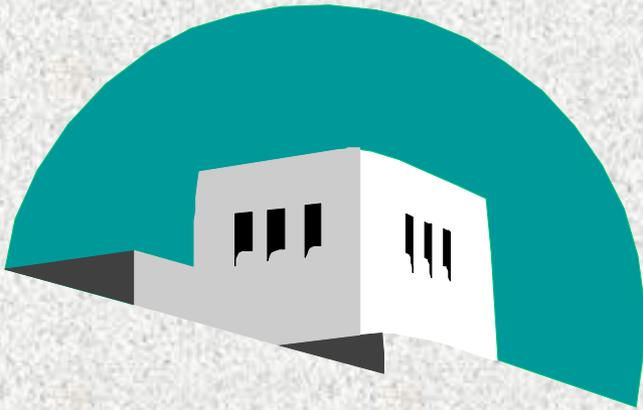
Sufficient documentation
must be provided per
UNM Business Policy



Reconciliation Assistance

- ❖ Unrestricted Accounting-HSC can provide reports with UH invoicing data. Reports can be generated by
 - ❖ Index
 - ❖ Organization Level 5
 - ❖ can be sorted by index or account code
- ❖ Contact the HSC AR Coordinator to request reports
- ❖ Invoice copies can also be obtained from the HSC AR Coordinator

UNM / HSC



THE UNIVERSITY OF NEW MEXICO

When HSC Bills UH

UNM/HSC departments provide services and support to UH departments regularly. The support is documented by:

- Salary Agreements
 - HSC employee providing UH with their services
- Memorandum of Understanding (MOU)
 - general support
- Other Agreements
 - space lease or flow through expenditures, such as utilities and insurance

When HSC bills UH

Once an intercompany agreement has been reached:

- documentation is sent to the HSC AR Coordinator
- monthly invoices are prepared and sent to UH for payment

A Banner module called *Non Student Accounts Receivable* (NSAR) is used to produce and track these invoices

Salary Agreements

Template for Salary Agreement is located on the Unrestricted Accounting-HSC's website in the forms section

- ✓ <http://hsc.unm.edu/.financialservices/accounting/>
- ✓ Template updated each fiscal year for current fringe benefit percentages
- ✓ Template contains macros and formulas that should not be overwritten when preparing the document
- ✓ Data entry cells are shaded yellow

Salary Agreement Procedures

UNM Employee

1. UNM department initiates the Salary Agreement and sends to HSC AR Coordinator for tracking and processing
2. HSC AR Coordinator submits the Salary Agreement to UH for consideration
 - Obtain UH signatures indicating approval
 - Executed document returned to HSC AR Coordinator
3. The copy of the fully executed Salary Agreement is sent to UNM department initiator
4. HSC AR Coordinators creates monthly invoices to be sent to UH Finance

Salary Agreement- HSC bills UH

**UNM HEALTH SCIENCES CENTER (HSC)
UNM HOSPITAL (UH)
SALARY AGREEMENT FORM
FY-2010**

RECEIVED
MAY 20 2009
HSC FINANCIAL SERVICES

DATE PREPARED: 05/19/09 EFFECTIVE DATE: 07/01/09
END DATE: 06/30/10

The following information is provided for the purpose of recording salary and benefit arrangements between HSC and UNMH.
Prepared By: Carla Slezak

1 Employee and Department Information:

HSC DEPT: Pediatrics UH DEPT: 1530 YCHC general
Contact Person: Carla Slezak Contact Person: Sally Popejoy

HSC EMPLOYEE ID #: [REDACTED] UH EMPLOYEE ID #: _____
Faculty or Staff: Staff

JOB TITLE: Nurse Practitioner FTE STATUS: 0.50 ANNUAL SALARY: \$ 32,773.00
(This arrangement shall be in effect for only those days specified above.) HOURLY RATE: \$ 31.51

2 Salary and Benefit Distribution:

	HSC	UH	TOTAL
*SALARY AMOUNT	\$ -	\$ 32,773	\$ 32,773
UNMH BENEFIT AMOUNT @ 33.0%	\$ -	\$ -	\$ -
HSC FACULTY BENEFIT AMOUNT @ 29.5%	\$ -	\$ -	\$ -
HSC STAFF BENEFIT AMOUNT @ 33.0%	\$ -	\$ 10,815	\$ 10,815
PR/PO NUMBER: _____	TOTAL	\$ -	\$ 43,588
PERCENT			
MANAGER INDEX/ UH ACCOUNT(S) to be charged/credited <u>99705D</u>	0.00%	100.00%	100.00%

*This Agreement is based on the employee's current salary and does not include any possible wage increase(s).

3 This agreement is prepared due to:

Routine fiscal year renewal
 New Agreement
 Replacement for: _____

Associated MOU:
 Change in salary or benefit resulting from routine increase or promotion
 Other: _____

4 Comments:

OCT 21 2009

5 Approvals:

HEALTH SCIENCES CTR: [Signature] Date: 5/20/09
Dean, Director, Chair or Administrator

HEALTH SCIENCES CTR: [Signature] Date: 6/24/09
Associate VP / Finance & Administration or Assistant Dean of Administration for the School of Medicine

UNM HOSPITAL: [Signature] Date: 9/4/09
Department Director or Executive Director

UNM HOSPITAL: [Signature] Date: 9-4-09
Area Administrator

UNM HOSPITAL: [Signature] Date: 10/6/09
Chief Financial Officer

Identifying the Revenue

- Revenue is recorded in the department index each time an invoice is generated
- Banner form FGITRND supplies a detail listing of account detail

Identifying the Revenue



The University of New Mexico

University of New Mexico

HSC Financial Service Division
MSC09 5220

1 University Of New Mexico
Albuquerque, NM 87131-0001

Page 1 of 1

Bill To:

UH YOUNG CHILDRENS HEALTH CENTER
UNM HOSPITALS, HOPE BLDG
933 BRADBURY DR SE STE 3183
ALBUQUERQUE, NM 87106

Invoice Number: S1256560

Customer ID: Y00000199

Bill Date: 31-OCT-2009

Due Date: 30-NOV-2009

If you have any questions regarding your bill, please contact your customer service representative at: (505) 272-0264

Doc #	Date	Description	Rate	Units	Bill Amount
	30-OCT-2009	UH-PEDS-SA-Ro			\$13,859.64
	July 2009 - October 2009				
				Total Due:	\$13,859.64

Please reference Customer ID and Invoice Number on check. Detach this portion of the Invoice and return with payment for proper handling.

Customer Name: UH YOUNG CHILDRENS HEALTH CENTE

Customer ID: Y00000199

Balance Due: \$13,859.64

Invoice Number: S1256560

Amount Remitting: _____

Please make check payable to: University of New Mexico

Mailing Address is: HSC Financial Service Division, MSC09 5220, 1 University Of New Mexico, Albuquerque, NM 87131-0001

Identifying the Revenue

FSH0001

Salary Labor Benefits and Encumbrance Detail by Employee
For multiple months, FY2010

SR256560
Run Date/Time: 10/28/09 11:11 AM

Employee: RO

Included Organizations: 331A
Included Indexes: 99705D
Included Months: July, August, September, October

PayID	Trans Code	Trans Date	Labor	Fringe FICA (2110, 2120)	Fringe Retirement (2140)	Fringe Insurance (2160)	Fringe UE-Comp (2180)	Fringe WC-Comp (21A0)	Prof Liability (21C0)	Fringe Other (21J0)	Total Fringe	FYTD Salary Encumbrance
RO												
Index - Account: 99705D-2020												
RO		07/02/09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	32,772.60
RO		07/27/09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2,731.05)
RO	5R7 0	07/31/09	2,731.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RO		08/25/09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RO	5R8 0	08/31/09	2,731.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2,731.05)
RO		09/25/09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RC	5R9 0	09/30/09	2,731.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2,731.05)
RO		10/27/09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RO	5R10 0	10/30/09	2,731.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2,731.05)
												0.00
Subtotal: - Index: 99705D-2020			\$10,924.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$21,848.40
Index - Account: 99705D-undefined												
RO	5R7 0	07/31/09	0.00	208.93	297.68	0.00	16.39	111.15	0.00	98.32	732.47	0.00
RO	5R8 0	08/31/09	0.00	212.02	297.68	0.00	16.39	111.15	0.00	98.32	735.56	0.00
RO	5R9 0	09/30/09	0.00	208.93	297.68	0.00	16.39	113.45	0.00	98.32	734.77	0.00
RO	5R10 0	10/30/09	0.00	208.92	297.68	0.00	16.39	111.15	0.00	98.32	732.46	0.00
Subtotal: - Index: 99705D-undefined			\$0.00	\$838.80	\$1,190.72	\$0.00	\$65.56	\$446.90	\$0.00	\$393.28	\$2,935.26	\$0.00
Subtotal: Index: 99705D			\$10,924.20	\$838.80	\$1,190.72	\$0.00	\$65.56	\$446.90	\$0.00	\$393.28	\$2,935.26	\$21,848.40
Grand Total: - RO			\$10,924.20	\$838.80	\$1,190.72	\$0.00	\$65.56	\$446.90	\$0.00	\$393.28	\$2,935.26	\$21,848.40

Total: 10,924.20 + 2,935.26 = 13,859.46

100% with

13,859.46



Medical Group, Inc.

University of New Mexico Physicians

UNM MG and UNM

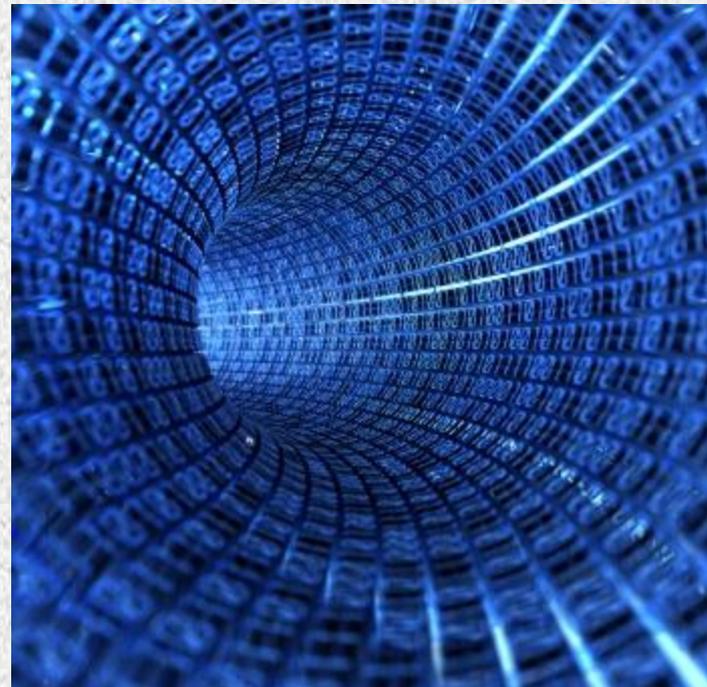
- ❖ The UNM Medical Group (UNM MG) pays for expenditures within their accounting system on behalf of a UNM Department.
- ❖ UNM MG invoices UNM in order to be reimbursed for these expenditures.
- ❖ The most common type of UNM MG invoice is for Professional Liability (Malpractice) Insurance allocated to non-clinical departments.

When UNM MG bills HSC

Data evaluated at
Unrestricted Accounting-
HSC and loaded into
Banner Finance

Expense items post to the
index/account code on the
invoice

Document number is
“HSYXXXXX”



UNM MG and UNM


UNM Medical Group, Inc.
University of New Mexico Physicians

September 30, 2009

UNM Health Sciences Center

SES Providers

MSC08 4600

Invoice: #MG090909

Index: #160021

Account: #63P0

Sept Malpractice

Total Due: \$2,523.00

**Payment made by HSC Financial
Services to:**

**UNM Medical Group
PO Box 27200
Albuquerque, NM 87125**

FOR QUESTIONS, PLEASE CONTACT UNM Medical Group, Inc., AT 505-272-3348. THANK-YOU.

Reconciliation Assistance

- ❖ Unrestricted Accounting-HSC can provide reports with UNM MG invoicing data. Reports can be generated by
 - ❖ Index
 - ❖ Organization Level 5
 - ❖ can be sorted by index or account code
- ❖ Contact the HSC AR Coordinator to request reports
- ❖ Invoice copies can also be obtained from the HSC AR Coordinator

Questions?

