

2014 Nurse-Family Partnership South Carolina PFS Project

Preliminary 7-Year Budget - as of September 15, 2014

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total	% of Project Cost
Expected # of Dyads Enrolled	0	875	1,467	1,164	454				3,960	
Cumulative Number of Dyads Served	0	875	2,342	3,506	3,960				3,960	
PFS Costs										
Implementing	--	\$4,751,585	\$8,294,248	\$9,770,507	\$8,448,835	\$3,875,108	\$909,613	\$1,119	\$36,051,014	68.0%
Marketing/Outreach	--	1,311,289	881,750	586,004	407,279	415,980	415,028	--	4,017,330	7.6%
Medicaid Provider	290,000	202,145	535,335	670,998	613,184	347,414	184,121	--	2,843,197	5.4%
NSO Project Management & Administration	605,000	1,431,321	1,447,929	1,492,607	1,502,163	1,479,996	1,476,035	250,000	9,685,051	18.3%
PFS Transaction Cost	200,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	445,000	0.8%
Total	\$1,095,000	\$7,731,340	\$11,194,262	\$12,555,116	\$11,006,461	\$6,153,498	\$3,019,797	\$286,119	\$53,041,592	100.0%
Total Cost per Dyad									\$13,394	

**South Carolina Nurse-Family Partnership Project
Draft PFS Budget
September 15, 2014**

The following is a recap of draft costs regarding the proposed Pay for Success (PFS) project in South Carolina. Many of these costs are estimates or represent anticipated costs that may change once the program parameters are set and all negotiations have been concluded. Thus, this recap should be used for discussion purposes only, and do not represent an offer to provide services at this time.

The costs have been split into the following categories to facilitate discussion. Each category has been analyzed to separate one-time, start-up costs from ongoing costs over the PFS service period.

All costs shown in 000's

The total one-time costs are \$1,095, and the service period costs are \$51,946 for a total project cost of \$53,042. Spreading this cost over the projected client base results in a cost per client of \$13,394.

All costs shown in 000's

Implementation

- Service period - \$36,051

These costs have all been captured in the implementation model and represent direct implementation cost to deliver NFP to 3,690 dyads.

Marketing & Outreach

- Service period - \$4,017

These costs are specific to the PFS project as this is not part of a normal implementing agency start-up. They are necessary to promote the program and accelerate caseload ramp-up. As such, they are front loaded for the first years, and then reduce greatly in the later years.

Medicaid Provider & Billing

- One-time - \$290
- Service period - \$2,553

These costs are for building systems and interfaces to verify eligibility, provide required notices, and collect billing information, and then generate Medicaid billing claims. We believe that these costs will be negotiable with the Medicaid billing contractor, but are estimated at 4 – 5% of the aggregate claims based on market pricing information we have gathered.

NSO Administrative Costs

- One-time - \$605
- Service period - \$9,080

These include all incremental administrative costs to develop and administer the PFS project at both the Denver and South Carolina offices. It includes Project Management, Legal, Finance, Human Resources,

Insurance and reporting and monitoring costs. In addition, it contains the costs for the PFS financial intermediary (i.e., Social Finance's costs) and an indirect overhead allocation.

PFS Transaction Cost

- One-time - \$200
- Service period - \$245

These include legal, third party administration, and audit costs associated with the PFS transaction. All PFS transaction costs pass through NSO and/or Social Finance to third party entities for the functions noted above.