

## Financial Resources

Every state will need to determine how to achieve influenza surveillance goals to meet national and state needs. Federal resources (funding, reagents) distributed to states need to be directed principally to activities that support overall national priorities. State/local capabilities beyond those recommended as essential to meet national virologic surveillance goals will require securing sustainable state or jurisdictional funding. When optimizing services and justifying budget requests, PHLs and surveillance programs should work cooperatively to address:

- Essential elements defined in this roadmap for national surveillance.
- Options for shared services among PHLs.
- Scalability of the surveillance system based on available resources.
- State/local specific influenza surveillance expectations or operational issues.

### Cost Accounting

Optimizing resources and justifying funding requests will require better cost accounting at the national, state and local level. Results from the 2011 Right Size Influenza Virologic Surveillance Landscape survey showed that 35% of state PHLs (16 out of 45 SPHLS) were unable to provide accurate estimates of influenza testing costs or were only able to provide rough estimates. There are many advantages to effective cost accounting including, but not limited to:

- Identify true cost of virologic surveillance.
- Plan and allocate resources for each influenza season.
- Justify surveillance program and laboratory testing budgets.
- Assess which surveillance components are covered by various funding sources (e.g., federal vs state funds).
- Calculate the cost the PHL absorbs beyond the actual state or federal funds provided.
- Ensure PHLs and programs are good stewards of existing resources.
- Determine and justify the most efficient testing algorithm for various scenarios (see Laboratory Testing Implementation Guidance section for additional information on testing algorithms).
- Write grant proposals.
- Characterize impacts of funding reductions.

The cost of performing influenza surveillance testing varies across jurisdictions. While there is no standard method that can be applied across all jurisdictions to assess costs, at a minimum a cost analyses should include four areas related to influenza surveillance (unpublished APHL internal report): labor, consumable materials, equipment and overhead/miscellaneous.

- **Labor** – Including laboratory, epidemiology/influenza coordinator, and information technology staff salaries, fringe/benefits costs and capabilities.
- **Consumable Materials** – Including material costs for specimen collection materials (if provided to the specimen submitters by the surveillance program or laboratory), submitter incentives (if provided), reagents and testing kits used for extraction and rRT-PCR processes as well as consumables both directly and indirectly associated with PCR testing. If the laboratory is performing any additional tests as defined in the Laboratory Testing Requirements Intent and Implementation Guidance sections, costs per test should be determined for these consumables as well.
- **Equipment** – Including acquisition, service/maintenance and depreciation costs for all equipment used for influenza testing.
- **Overhead & Miscellaneous** – Including costs associated with facilities, surcharges, utilities, transportation of specimens to and from the laboratory, maintaining sentinel provider networks (e.g., provider communication tools), information technology support, training and travel.

It may also be helpful to reference CMS Medicare/Medicaid CPT codes and fee schedules when performing cost analysis. The federal standards for clinical diagnostic reimbursement for testing can help estimate laboratory costs for surveillance testing as well as serve as a comparator to true cost accounting. The CMS fee schedule will vary across states and PHLs should reference the most recent CPT fee schedule for their state. Listed below are some of the relevant CPT codes for influenza surveillance testing that may assist with determining laboratory costs.

- CDC Flu rRT-PCR Dx Panel: 87501 x 2 if assay uses separate wells for Flu A and Flu B.
- If a laboratory uses a commercial multiplex test, reference the 87502 code x 1 for up to two analytes.
- Influenza subtyping: 87503 x number of analytes (e.g., influenza A(H1N1), influenza A(H3N2) and influenza A(H1N1)pdm).
- Virus culture: 87252.
- Virus culture by shell vial: 87254.
- Immunofluorescent identification (if culture positive) and hemadsorption: 87253.

**Allocating Available Funds**

*These questions address suggested processes for cost analysis and coordination needed to optimize funding allocation among those involved in influenza surveillance within the state.*

1. Do you have a routine meeting or other process for all involved parties to discuss grant development, planning, fund allocation, and deliverable/benchmark monitoring?
2. Do you have a process to determine how much it costs your jurisdiction to perform influenza virologic surveillance?
  - Example: Perform a detailed cost analysis for both surveillance program and laboratory components. See the cost accounting sub-section above for some helpful tips.
3. Do you have a method or process for equitably allocating funds across program and laboratory elements?
  - Example: Appropriate representatives of the laboratory and surveillance program meet at the beginning of each season and periodically throughout season to discuss allocation of funds and monitor expenditures throughout the season.
4. Do you have a method or process to collaboratively address funding and resource reductions?
5. Are ELC, PHEP, and quality management benchmarks considered in prioritization of funding allocation?

Table 4 is provided as a tool to facilitate funding allocation discussions and to help identify potential funding gaps. Use of this table, or a similar state developed tool, can help elucidate the actual costs of influenza surveillance and provide a basis for discussion and priority setting. This table can be modified to fit a jurisdiction's funding sources and surveillance components. Depending on the level of detail desired, this table can be completed by listing dollar amounts, percentages or simply using checkmarks to indicate which surveillance components are funded by each of these sources in the jurisdiction.

**Table 4. Resource Allocation Tracking Table**

	ELC	PHEP	State	Other: _____
Influenza Surveillance coordinator				
Epidemiology staff for influenza				
Laboratory staff for Influenza				
Laboratory testing reagents, supplies not provided by CDC)				
LIMS/electronic reporting/IT support				
Specimen collection supplies (e.g., VTM, swabs)				
Specimen transport (e.g., shipping boxes, courier or commercial carrier costs)				
Sentinel provider incentives				
Equipment & equipment maintenance costs, including service contracts				
Laboratory overhead (e.g., travel/training, autoclave/waste, printing/publications/education/press releases)				
Supporting local capacity (e.g., local PHLs and programs)				
Other: _____				
Other: _____				

### Resource Justification

As previously mentioned, state/local capabilities beyond those recommended as essential to meet national virologic surveillance goals will require securing alternate, supplemental, sustainable state or local funds. As federal and state funds to support influenza surveillance decline in this post-pandemic period, it may be necessary to explore options for alternate non-traditional funding sources such as research grants or academic partnerships for special studies. Justifying resource needs requires an accurate estimate of surveillance system costs and funding needs/gaps.

### Funding Fact Sheet Tool for States

Fact sheets and success/impact stories are useful tools when requesting additional funds and resources to meet surveillance requirements. Appendix D provides a funding justification “fact sheet” template that can be modified and used as a tool by public health laboratory leaders to highlight a specific jurisdiction’s program impact and funding needs for influenza virologic surveillance. To see other example fact sheets, please visit <http://www.aphl.org/policy/facts/Pages/default.aspx>.

**Intended Use:** Public health laboratory leaders can customize this document using the editable version of Appendix D located at [http://www.aphl.org/aphlprograms/infectious/influenza/Documents/ID\\_2013July\\_Editable-Funding-Fact-Sheet.docx](http://www.aphl.org/aphlprograms/infectious/influenza/Documents/ID_2013July_Editable-Funding-Fact-Sheet.docx). This is intended to be used to highlight surveillance program successes, impact, and funding needs to non-public health audiences such as policy makers and other government officials.

**Instructions for Use:** To create a jurisdiction-specific fact sheet, go to [http://www.aphl.org/aphlprograms/infectious/influenza/Documents/ID\\_2013July\\_Editable-Funding-Fact-Sheet.docx](http://www.aphl.org/aphlprograms/infectious/influenza/Documents/ID_2013July_Editable-Funding-Fact-Sheet.docx) for an editable version of Appendix D that users can modify to highlight their own program’s success and funding needs. For example, the current template includes a story for the 2009 H1N1 pandemic to provide an example of a captivating story structure. Users should replace this story with a jurisdiction-specific story. Finding a story that is both recent and has major impact on the specific jurisdiction will improve the reception by target readers.

Users will notice that the fact sheet uses basic, non-scientific language; the level of technical detail included should be tailored to the target audience. In the example language in Appendix D, the target audience would be a lay person that has no prior knowledge of influenza testing, surveillance, or public health laboratories. For example, the term such as “influenza” is replaced with “flu,” a widely recognized, colloquial reference.

The template also includes a box to highlight funding needs. It is recommended that this box only include the funding needs being requested of the specific target audience. In some jurisdictions this fact sheet is more useful for promoting impact and success, in which case the funding needs box can be deleted. Lastly, keep the fact sheet focused on a specific topic and/or request. The recommended maximum length is approximately 900 words or two pages to allow for printing on both sides of a single sheet.