

**Formulas to Determine Cost of School MH Employee**  
**Example from South Carolina School MH Program**

**I. Funding Needed for FTE:**

Salary + Fringe (Insurance & Benefits) + Agency/Organization Overhead

**II. Funding From Outside MH Agency/Organization for FTE:**

Reimbursement Mechanisms (Medicaid/ HMO/Insurance/Private-Pay) + Agency Funds (Block Grants, state/county funding, etc.) + School Contracts/Cost-Share Agreements + Legislative Funds + Grant/Foundations + Federal Funds (IDEA, Title I, IV, V, XI, XX, etc.)

Example Total I

FTE Average Salary (Masters + 2)	Fringe @ 33% +	Insurance Average Cost @ \$3,500. =	Total FTE Cost
\$30,000.	\$9,900.	\$13,400.	<b>\$43,400.</b>

Example Total I and Total II

Average Salary & Fringe	Monthly Requirement to Meet Cost of FTE	Cost to CMHC for FTE @ 5% (non reimbursable staff, supervision, supplies, etc.)	Monthly Requirement to Meet Cost of FTE	Medicaid Reimbursement Rate [@ 70% of actual service charges + difference in column 4 = Monthly Requirement to Meet FTE]	<b>II. Grant Funding/School Contract @ \$20,000. = Less \$1,666. p/month</b>
\$43,400.	\$3,617.	\$2,170.	\$5,787.	\$4,051. (70% of column 4) 5,787.+1,736.= <b>\$7,523.</b>	<b>\$5,857. Funds required p/month in reimbursements</b>

\*Funding needed by FTE monthly to sustain annual salary/fringe