

Cost Management Plan (Sample)

Multiple areas organize the management of project costs within the Project Management Plan. Managing cost directly impacts the project, including scope control, communication efficiency, quality outputs, and many other aspects. By utilizing the Project Management Office's toolkit, the project manager and project sponsors will have direct insight into any project slippage, including costs. This information will be included in the overall Project Management Plan that will be supplied upon contract initiation.

Cost Management Plan

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Revision log

Version	Primary author(s)	Description of version	Date completed
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1 Introduction

The Cost Management Plan outlines the high-level expectations of the Project Management team to control cost and bring projects in within the budgetary structure agreed to.

2 Budgetary impacts

Once the project workplan is baselined, the project manager will start to monitor the actual allocation costs to the expected cost of the project. Optum Rx's finance team will manage the overall budget to the actual costs spent.

Budgetary insights

- Labor
- Materials and equipment
- Facilities (if required)
- Vendors utilized (if required)
- Project risks
- Scope creep

Project impacts to the baselined budget

- Scope changes
- Labor estimations and overallocation
- Project risks

3 Cost control

In an effort to keep cost controlled, Optum Rx works through a variety of separate project management plans.

- Scope Management Plan
- Change Management Plan
- Quality Management Plan
- Overall Project Management Plan
- Risk Management Plan
- RAID (risks, actions, issues and decisions) log Management

In the event a change is requested that is outside of the baselined requirement, Optum Rx will require these requests come through the formal Change Management Process to be fully evaluated prior to approving any changes to the scope or requirements.

Risk management must consider both internal and external sources for budget, schedule, scope, and technical risk. Early and aggressive detection of risk is important because it is typically easier, less costly, and less disruptive to make changes and correct work efforts during the earlier phases of the project.

Table 1: Roles and responsibilities below identifies the roles and responsibilities for Cost Management Plan.

Table 1: Roles and responsibilities

Role	Responsibilities
Change healthcare team members	Raise timebound risks to the project manager Communicate scope change risks to the project manager
Implementation project manager	Responsible for monitoring contract compliance, helping define scope and identifying functional requirements Escalate resource allocation risks Tracks expenditures and reports to finance department for project level tracking Manage the scope change requests appropriately
Account manager	Responsible for monitoring contract compliance, helping define scope and identifying functional requirements Works in collaboration with all team member to protect the project scope
<Enter client/state>	Responsible for helping to define scope and identifying functional requirements Responsible for additional costs requested outside of contracted requirement
Finance	Track and communicate overall project actual cost Raise budgetary issues to executive management as needed
Executive management team	Responsible for approving any changes that result in changes to budget.