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Healthcare Business Specialists

**Provider Relief Funds for RHCs
Healthcare Business Specialists
Sponsored by Azalea Health and ChartSpan
May 18, 2020**





HBS

Healthcare Business Specialists

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[RHC Information Exchange Group on Facebook](#)

• *"A place to share and find information on RHCs."*

RHC Information Exchange Group on Facebook

Join this group to post or ask questions regarding RHCs. Anyone is welcome to post about meetings, seminars, or things of interest to RHCs

<https://www.facebook.com/groups/1503414633296362/>

HBS

Healthcare Business Specialists



- What does Healthcare Business Specialists do?
- Listing of Services

<https://tinyurl.com/w63xbp9>

- We prepare Medicare and Medicaid Cost Reports for Rural Health Clinics.
- We prepare Program evaluations of RHCs.
- We help clinics startup as RHCs.
- Emergency Preparedness for RHCs.
- We prepare TennCare Quarterly Reports
- Our Cost Reporting Brochure can be found at the following link:
- [RHC Cost Report Brochure](#)

VIRTUAL SELF-SURVEY WEBINAR ON MAY 19, 2020
VIRTUAL SELF SURVEY WITH AAAASF AND TCT
(TOM TERRANOVA, KATE HILL, AND ELSIE CRAWFORD)

In this webinar, Mark Lynn of Healthcare Business Specialists will conduct a virtual RHC Compliance walkthrough of an RHC with AAAASF and TCT. Tom Terranova (AAAASF), Kate Hill (TCT), Elsie Crawford (AAAASF) will virtually walk through with us and will point out what an RHC Certification inspector is looking for when they tour the facility. They will point out common deficiencies and provide best practices for RHCs to undertake as they prepare for their initial RHC certification inspection or for a recertification inspection. AAAASF and TCT will provide a description of their current inspection processes in the light of COVID-19. AAAAF and TCT will update RHCs on how COVID-19 has changed the infection control processes in RHCs and what steps should be taken to protect patients, staff, and providers during the COVID-19 Public Health Emergency. If you have questions or concerns you would like addressed on this topic, please send them to Mark Lynn at marklynnrhc@gmail.com with the Subject: "Virtual Self-Survey Questions" and we will add them to our slides. This particular webinar will focus on just the walkthrough aspect to keep our time and 1 hour or so. If you do have questions about the paperwork aspect of the mock inspection, go ahead and email those questions to us using the same Subject "Virtual Self-survey Questions. Please register for Virtual Self Survey with AAAASF and TCT (Tom Terranova, Kate Hill, and Elsie Crawford) on May 19, 2020 12:00 PM CDT at:

<https://attendee.gotowebinar.com/register/627882019289589263>

RHCs should pay close attention to this. It looks like CMS will be wanting a time study from us for Telehealth time. This is from the May 15, 2020 MLN Connects

Hospitals: Physician Time Studies During the COVID-19 PHE

Hospitals that incur physician compensation costs must allocate those costs based on the percentage of total time spent furnishing:

- Part A services
- Part B services
- Non-Medicare allowable activities

Hospitals must submit physician allocation agreements annually as part of the cost report filing process. During the Public Health Emergency (PHE), any one of these time study options is acceptable:

- One week time study every 6 months (two weeks per year)**
- Time studies completed in the cost report period prior to January 27, the PHE effective date (e.g. hospital with a 7/1/2019 -- 6/30/2020 cost reporting period, could use the time studies collected 7/1/2019 through 1/26/2020; no time studies needed for 1/27/2020 -- 6/30/2020)
- Time studies from the same period in CY 2019 (e.g., if unable to complete time studies during February through July 2020, use time studies completed February through July 2019)

For more information, see the [Provider Reimbursement Manual](#)

<https://mark-lynn-r8he.squarespace.com/s/2020-HSA-Telehealth-Tracking-from-Julie-Quinn-for-the-April-22-2020-Webinar.xlsx>



COVID-19 RESOURCES FOR RHCs

Healthcare Business Specialists is using this COVID-19 website to provide resources for our RHCs. We have provided links to valuable information as you deal with this world-wide pandemic.

Vast amounts of ever-changing Information must be assimilated by RHCs regarding the COVID-19 Public Health Emergency (PHE) at a dizzyingly fast pace. It is difficult, even impossible, to keep up with all the changes affecting the operation of a medical clinic or hospital during this unprecedented time. Information has always been a perishable asset, but, never so much as in this time of constant change and guidance from our government. While not getting political, one can not help but be impressed by the dedication and commitment from our governmental agencies in fighting this war with COVID-19 and the government's resolve to win this war without completely sacrificing the financial future of those that survive this war.

In order to help you process, organize, and locate information related to COVID-19 we have organized this site into Topics, so you find information much faster. If you click the links below you will find a chronological list of resources dated from the latest to the oldest. We at Healthcare Business Specialists hope this helps you find the answers you need during this difficult time.

[Telehealth](#) [State Medicaid and Regulations](#) [Financial](#) [Laws and Regulations](#) [Other Resources](#)


For Updates, a recording of this webinar, slide presentations, and lots of information on RHCs and COVID-19 go to our COVID-19 Website

<http://www.ruralhealthclinic.com/covid19>



Disclaimer

- Due to COVID-19 Healthcare Policy is changing rapidly, waivers are being issued, guidance is being backdated, issued and retracted, official documents are out of date almost as soon as they are issued, so proceed with caution. Some of our resources will contain outdated information, but most of the information is still relevant. The trick and frustrating part is knowing what changed and when. This presentation was prepared on May 18, 2020 and we believe it to be current as of that date, but we could have missed something. If you know of an omission or change, please let us know and we correct it.

An illustration on a teal background. In the top left, a target with concentric rings of yellow, red, blue, and black is shown. An arrow is flying towards it from the top center. On the right side, two stylized figures in business suits are running. The one in the foreground is holding a bow and arrow, aiming towards the target. The background has a vertical line and a large yellow sun in the top right corner.

Guidance is changing and is a Moving Target

Seek Legal Counsel, Check HHS/CMS Websites Often



Please do not type your questions in until all the presenters have finished. We will have time at the end of the session for questions

We will not know the
answers to many of the
questions

—



MEET OUR SPEAKERS



Meet the Speakers

Nathan Baugh, BS, Director of Government Affairs, NARHC, Alexandria, VA



Nathan Baugh is the Director of Government Affairs for the National Association of Rural Health Clinics (NARHC) where he has worked since April of 2015. Nathan works on both regulatory and legislative policy at the federal level. He has been involved in issues such as the CPT reporting policy, the Chronic Care Management benefit, and the Emergency Preparedness rules.



H.R. 6792 – Improving Telehealth for Underserved Communities Act of 2020 Fact Sheet

Summary: Without Congressional action, most rural health clinics (RHCs) and all federally qualified health centers (FQHCs) will owe money back to Medicare in July for every telehealth visit provided. H.R. 6792 would prevent this from occurring and allow RHCs and FQHCs to provide and bill for telehealth visits through their normal reimbursement mechanisms.

Background: The CARES act allowed RHCs and FQHCs to bill Medicare as distant site providers, but mandated that CMS establish a new payment methodology for these distant site services. Instead of paying RHCs and FQHCs through their normal reimbursement mechanisms, this methodology mandates that all RHCs and FQHCs receive a flat fee of \$92.03 for any of 200+ different telehealth services that are covered by Medicare.

Until June 30th, Medicare will pay RHCs and FQHCs their normal rates. However, in July Medicare will recoup the difference between the normal rate and \$92.03 for every telehealth visit provided. This recoupment will be thousands, if not tens of thousands of dollars in many cases.

Current Policy:

- RHCs and FQHCs bill all telehealth visits under one code: G2025
- Payment is \$92.03 for all telehealth visits no matter what was provided
- Creates a massive administrative burden because all costs associated with telehealth must be “carved out” of the annual cost report
- Telehealth visits do not count towards the productivity standard for RHCs
- Claims data is inaccurate because G2025 represents at least 238 different services
- Recoupment period in July will create financial strain

Proposed Policy:

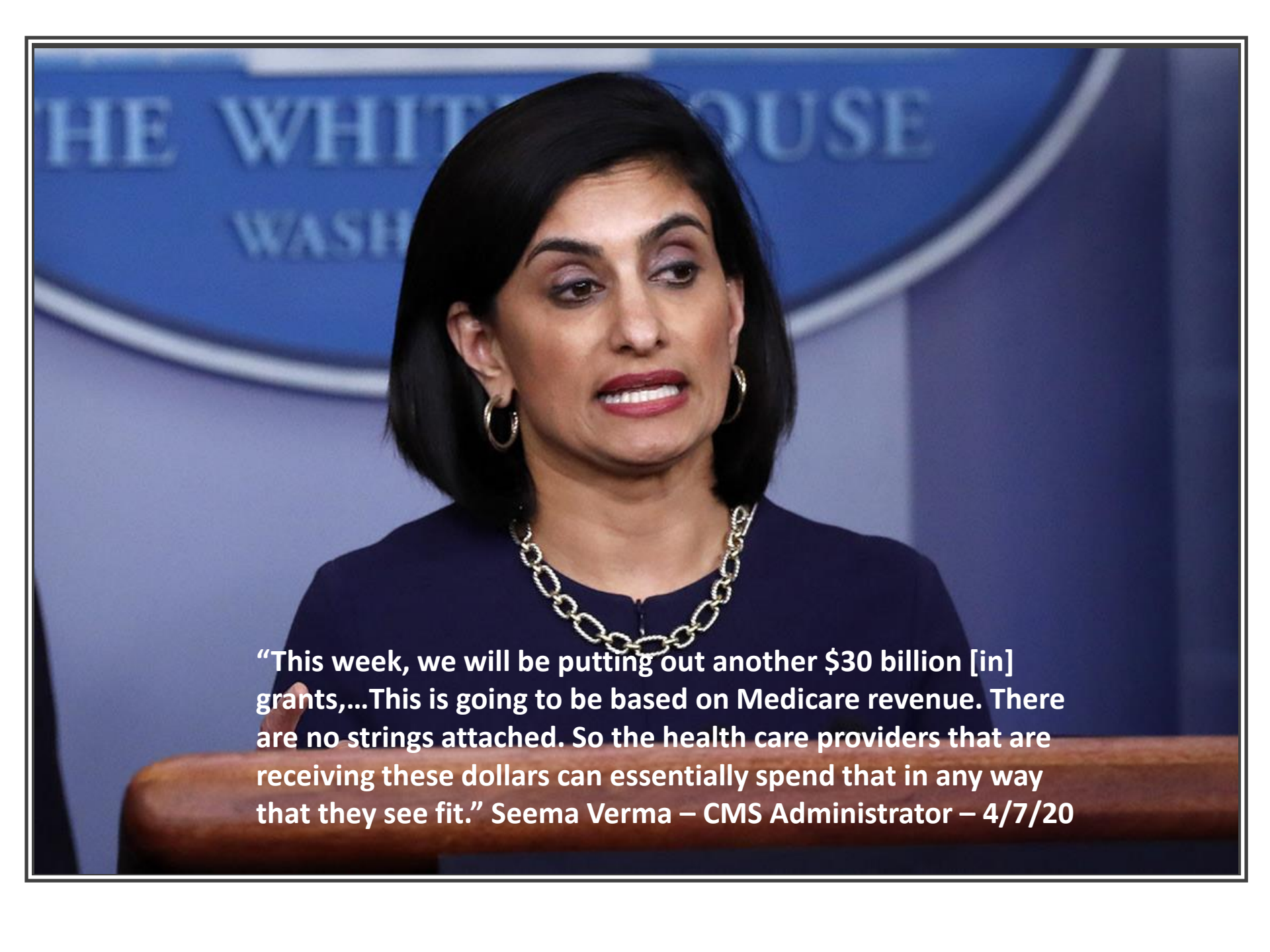
- RHCs and FQHCs bill telehealth visits through their normal reimbursement mechanisms
- Payment is the All-Inclusive Rate for RHCs, and the Prospective Payment System rate for FQHCs
- Costs associated with telehealth would count on annual cost reports
- Telehealth visits counts towards productivity standard
- Claims data is accurate because accurate coding would be used
- No recoupment period in July

The telehealth composite rate of \$92.03 is actually higher than the maximum Medicare reimbursement independent RHCs currently receive which is capped out at \$86.31. This fact only underscores how low the RHC cap is to begin with and this legislation ensures that our independent RHCs ~ who benefit slightly from the problematic reimbursement methodology ~ are not hurt by a move back toward normal payment by raising their upper limit to \$92.03.



Provider Relief Funds For RHCs



A woman with dark hair, wearing a dark blue top and a gold chain necklace, is speaking at a podium. The background is a blue banner with the text "THE WHITE HOUSE WASHINGTON".

“This week, we will be putting out another \$30 billion [in] grants,...This is going to be based on Medicare revenue. There are no strings attached. So the health care providers that are receiving these dollars can essentially spend that in any way that they see fit.” Seema Verma – CMS Administrator – 4/7/20

What does Tranche Mean?

Visual Vocab

TRANCHE

Verb/Noun

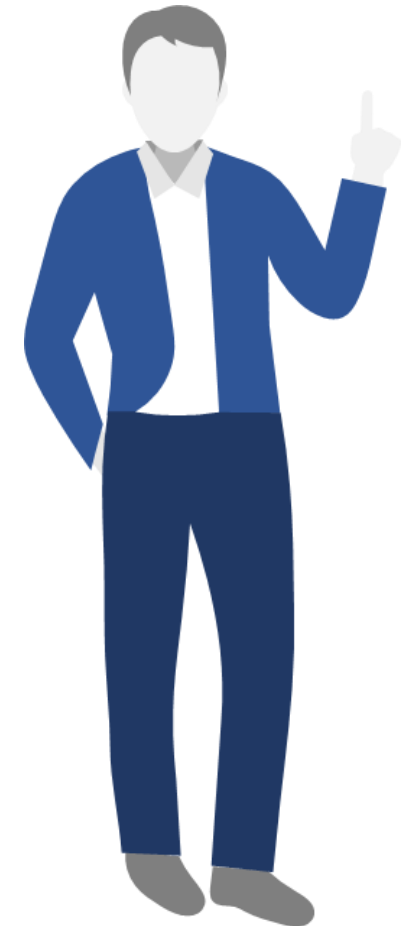
A tranche is a portion or piece of something, just like this piece of cake.



WORDpandit.com

Summary of Different Sources of RHC Relief Funding (This is not an all-inclusive list – Just the most common)

	Funding	For More Information
PPP Loans/Grant	\$760 Billion	https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program
HHS General Distribution	\$50 Billion	https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/index.html
HHS Rural Distribution	\$10 Billion	https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/index.html
HHS RHC Distribution	\$225 Million	No Information Yet
HHS COVID-19 Uninsured Portal	\$1 Billion	https://coviduninsuredclaim.linkhealth.com/



Payroll Protection Program FAQs



Paycheck Protection Program FAQs for Small Businesses

Where can I apply for the Paycheck Protection Program?

You can apply for the Paycheck Protection Program (PPP) at any lending institution that is approved to participate in the program through the existing U.S. Small Business Administration (SBA) 7(a) lending program and additional lenders approved by the Department of Treasury. This could be the bank you already use, or a nearby bank. There are thousands of banks that already participate in the SBA's lending programs, including numerous community banks. You do not have to visit any government institution to apply for the program. You can call your bank or find SBA-approved lenders in your area through SBA's online [Lender Match](#) tool. You can call your local [Small Business Development Center](#) or [Women's Business Center](#) and they will provide free assistance and guide you to lenders.

Who is eligible for the loan?

You are eligible for a loan if you are a small business that employs 500 employees or fewer, or if your business is in an industry that has an [employee-based size standard through SBA](#) that is higher than 500 employees. In addition, if you are a restaurant, hotel, or a business that falls within the North American Industry Classification System (NAICS) code 72, "Accommodation and Food Services," and each of your locations has 500 employees or fewer, you are eligible. Tribal businesses, 501(c)(19) veteran organizations, and 501(c)(3) nonprofits, including religious organizations, will be eligible for the program. Nonprofit organizations are subject to [SBA's affiliation standards](#). Independently owned franchises with under 500 employees, who are approved by SBA, are also eligible. Eligible franchises can be found through [SBA's Franchise Directory](#).

I am an independent contractor or gig economy worker, am I eligible?

Yes. Sole proprietors, independent contractors, gig economy workers, and self-employed individuals are all eligible for the Paycheck Protection Program.

What is the maximum amount I can borrow?

The amount any small business is eligible to borrow is 250 percent of their average monthly payroll expenses, up to a total of \$10 million. This amount is intended to cover 8 weeks of payroll expenses and any additional amounts for making payments towards debt obligations. This 8 week period may be applied to any time frame between February 15, 2020 and June 30, 2020. Seasonal business expenses will be measured using a 12-week period beginning February 15, 2019, or March 1, 2019, whichever the seasonal employer chooses.

How can I use the money such that the loan will be forgiven?

The amount of principal that may be forgiven is equal to the sum of expenses for payroll, and existing interest payments on mortgages, rent payments, leases, and utility service agreements. Payroll costs include employee salaries (up to an annual rate of pay of \$100,000), hourly wages and cash tips, paid sick or medical leave, and group health insurance premiums. If you would like



to use the Paycheck Protection Program for other business-related expenses, like inventory, you can, but that portion of the loan will not be forgiven.

When is the loan forgiven?

The loan is forgiven at the end of the 8-week period after you take out the loan. Borrowers will work with lenders to verify covered expenses and the proper amount of forgiveness.

What is the covered period of the loan?

The covered period during which expenses can be forgiven extends from February 15, 2020 to June 30, 2020. Borrowers can choose which 8 weeks they want to count towards the covered period, which can start as early as February 15, 2020.

How much of my loan will be forgiven?

The purpose of the Paycheck Protection Program is to help you retain your employees, at their current base pay. If you keep all of your employees, the entirety of the loan will be forgiven. If you still lay off employees, the forgiveness will be reduced by the percent decrease in the number of employees. If your total payroll expenses on workers making less than \$100,000 annually decreases by more than 25 percent, loan forgiveness will be reduced by the same amount. If you have already laid off some employees, you can still be forgiven for the full amount of your payroll cost if you rehire your employees by June 30, 2020.

Am I responsible for interest on the forgiven loan amount?

No, if the full principal of the PPP loan is forgiven, the borrower is not responsible for the interest accrued in the 8-week covered period. The remainder of the loan that is not forgiven will operate according to the loan terms agreed upon by you and the lender.

What are the interest rate and terms for the loan amount that is not forgiven?

The terms of the loan not forgiven may differ on a case-by-case basis. However, the maximum terms of the loan feature a 10-year term with interest capped at 4 percent and a 100 percent loan guarantee by the SBA. You will not have to pay any fees on the loan, and collateral requirements and personal guarantees are waived. Loan payments will be deferred for at least six months and up to one year starting at the origination of the loan.

When is the application deadline for the Paycheck Protection Program?

Applicants are eligible to apply for the PPP loan until June 30th, 2020.

I took out a bridge loan through my state, am I eligible to apply for the Paycheck Protection Program?

Yes, you can take out a state bridge loan and are still be eligible for the PPP loan.

IRS: Companies who receive PPP loans will not qualify for tax deductions

PPP loan forgiveness is not counted as taxable income. The IRS said in its guidance Thursday that expenses that result in forgiveness of a PPP loan are not tax deductible in order to prevent a "double tax benefit."

The agency cited Section 256 of the tax code, which states that deductions can't be taken if they are tied to a certain class of tax-exempt income. If desired, Congress could override the IRS's stance by passing a law that explicitly allows the deductions.

There is a Congressional Act to allow the deductibility of the PPP expenses that has not passed as of May 18, 2020.

<https://thehill.com/policy/finance/domestic-taxes/495587-irs-companies-who-receive-ppp-loans-will-not-qualify-for-tax>

SBA Released the Payroll Protection Program Loan Forgiveness Application

<https://home.treasury.gov/system/files/136/3245-0407-SBA-Form-3508-PPP-Forgiveness-Application.pdf>



Paycheck Protection Program Loan Forgiveness Application

OMB Control Number 3245-0407
Expiration Date: 10/31/2020

LOAN FORGIVENESS APPLICATION INSTRUCTIONS FOR BORROWERS

To apply for forgiveness of your Paycheck Protection Program (PPP) loan, you (the Borrower) must complete this application as directed in these instructions, and **submit it to your Lender** (or the Lender that is servicing your loan). Borrowers may also complete this application electronically through their Lender.

This application has the following components: (1) the PPP Loan Forgiveness Calculation Form; (2) PPP Schedule A; (3) the PPP Schedule A Worksheet; and (4) the (optional) PPP Borrower Demographic Information Form. All Borrowers must submit (1) and (2) to their Lender.

Instructions for PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")/DBA or Tradename (if applicable)/Business TIN (EIN, SSN): Enter the same information as on your Borrower Application Form.

Business Address/Business Phone/Primary Contact/E-mail Address: Enter the same information as on your Borrower Application Form, unless there has been a change in address or contact information.

SBA PPP Loan Number: Enter the loan number assigned by SBA at the time of loan approval. Request this number from the Lender if necessary.

Lender PPP Loan Number: Enter the loan number assigned to the PPP loan by the Lender.

PPP Loan Amount: Enter the disbursed principal amount of the PPP loan (the total loan amount you received from the Lender).

Employees at Time of Loan Application: Enter the total number of employees at the time of the Borrower's PPP Loan Application.

Employees at Time of Forgiveness Application: Enter the total number of employees at the time the Borrower is applying for loan forgiveness.

PPP Loan Disbursement Date: Enter the date that you received the PPP loan proceeds from the Lender. If loan proceeds were received on more than one date, enter the first date on which you received PPP loan proceeds.

EIDL Advance Amount: If the Borrower received an Economic Injury Disaster Loan (EIDL) advance, enter the amount.

EIDL Application Number: If the Borrower applied for an EIDL, enter the Borrower's EIDL Application Number.

Payroll Schedule: Select the box that corresponds to your payroll schedule.

Covered Period: Enter the eight-week (56-day) Covered Period of your PPP loan. The first day of the Covered Period must be the same as the PPP Loan Disbursement Date. For example, if the Borrower received its PPP loan proceeds on Monday, April 20, the first day of the Covered Period is April 20 and the last day of the Covered Period is Sunday, June 14.

Alternative Payroll Covered Period: For administrative convenience, Borrowers with a biweekly (or more frequent) payroll schedule may elect to calculate eligible payroll costs using the eight-week (56-day) period that begins on the first day of their first pay period following their PPP Loan Disbursement Date (the "Alternative Payroll Covered Period"). For example, if the Borrower received its PPP loan proceeds on Monday, April 20, and the first day of its first pay period following its PPP loan disbursement is Sunday, April 26, the first day of the Alternative Payroll Covered Period is April 26 and the last day of the Alternative Payroll Covered Period is Saturday, June 20. Borrowers who elect to use the Alternative Payroll Covered Period must apply the Alternative Payroll Covered Period wherever there is a reference in this application to "the Covered Period or the Alternative Payroll Covered Period." However, Borrowers must apply the Covered Period (not the Alternative Payroll Covered Period) wherever there is a reference in this application to "the Covered Period" only.

If Borrower Received PPP Loans in Excess of \$2 Million: Check the box if the Borrower, together with its affiliates (to the extent required under SBA's interim final rule on affiliates ([85 FR 20817](#) (April 15, 2020)) and not waived under 15 U.S.C. 636(a)(36)(D)(iv)), received PPP loans with an original principal amount in excess of \$2 million.

Forgiveness Amount Calculation (see Summary of Costs Eligible for Forgiveness below):

Line 1: Enter total eligible payroll costs incurred or paid during the Covered Period or the Alternative Payroll Covered Period.

This is a reminder that NRHA and the U.S. Small Business Administration (SBA) will be hosting [two additional webinars tomorrow](#) to highlight Paycheck Protection Program (PPP) funding available to support America's rural healthcare providers, as part of the "*Rural Providers and the Paycheck Protection Program*" regional webinar series:

Tuesday, May 19th

[SBA Regions 2 & 3](#)

[SBA Regional Administrator, Steve Bulger](#)

[New York, New Jersey, Puerto Rico, and the US Virgin Islands, DC, Maryland, Pennsylvania, Virginia, and West Virginia](#)

[Time: 10:00-11:00 AM EDT](#)

[SBA Region 10](#)

[SBA Regional Administrator, Jeremy Field](#)

[Washington, Alaska, Oregon, Idaho](#)

[Time: 9:00-10:00 AM PDT](#)

Provider Relief Funds for Rural Health Clinics

May 18, 2020

To stabilize the financial health of our healthcare system, Congress has appropriated \$100 billion to reimburse providers for lost revenues and increased expenses due to the coronavirus pandemic from a Provider Relief Fund. Because funding can come from various tranches which have different terms and conditions, Attestation Portals, uses of funds, it is extremely confusing for RHCs. We have attempted to summarize information related to these distributions in Table format. While the format simplifies the presentation of the information and makes it more understandable in its brevity it tends to lose nuance and you should seek counsel of those familiar with these programs. Most of the information is derived from the Provider Relief Fund website which can be found [here](#) and in the NARHC Newsletter - Spring Edition, Nathan Baugh provides a great summary of the various funding programs which can be found [here](#)





HHS Provider Relief Fund Administrative

[View Data](#) [Visualize](#) [Export](#) [API](#) [...](#)

The bipartisan CARES Act and the Paycheck Protection Program and Health Care Enhancement Act provided \$175 billion in relief funds to hospitals and other healthcare providers on the front lines of the coronavirus response. Payments from the \$50 billion general distribution, the \$12 billion targeted allocation to high impact areas, and the \$10 [More](#)

Updated
May 14, 2020
Data Provided by
Health Resources & Services Administration

About this Dataset

Updated
May 14, 2020

Data Last Updated **Metadata Last Updated**
May 14, 2020 May 14, 2020

Date Created
May 6, 2020

Views **Downloads**
74.7K **8,484**

Data Provided by **Dataset Owner**
Health Resources & Services Administration HHS ASPA

[Contact Dataset Owner](#)

Common Core

Publisher	HRSA
Contact Name	HRSA Chief Data Officer
Contact Email	PRFdata@hrsa.gov
Bureau Code	009:15
Program Code	009:020

Footnotes

Each row is a provider (aligned with billing TIN) that has received and accepted at least one payment. If a provider received 2 payments and accepted both, both payments are included. If a provider received two payments and only accepted one payment, only the accepted payment is included. If and when additional data are available, this data portal will be updated here.

Geographic Coverage	US
Update Frequency	Tuesday and Thursday

Topics

Category	Administrative
Tags	provider relief fund, cares act, health system

[Show More](#)

What's in this Dataset?

Rows	Columns	Each row is a
179K	4	Provider

Provider Relief Funds Summary Table

Tranche	1	2	3
Description	General Allocation	General Allocation	Rural Provider Allocation
Amount	\$30 Billion	\$20 Billion	\$10 Billion
Qualification	Bills Medicare Part A or B in 2019	Bills Medicare Part A or B in 2019	RHC with a CCN as of May 1, 2020
Payment Dates	4/10 & 4/17	5/15	5/6
Type of Distribution	Grant	Grant	Grant
How computed	6.2% of Medicare revenues	2% of net patient revenues minus amounts received in Tranche 1	For Freestanding RHCs: \$103,253 per RHC plus 3.7% of operating expenses
What are the funds for?	Lost revenues and increase expenses due to COVID-19	Lost revenues and increase expenses due to COVID-19	There is a listing of what you can not use the money for.
Terms & Conditions	Here	Here	Here
Attestation Portal	Here	To Report Net Revenues	Here
FAQS	Here	Here	None as of 5/13/20



HHS > [Coronavirus Home](#) > CARES Act Provider Relief Fund

Coronavirus (COVID-19)
CARES Act Provider Relief Fund
Terms and Conditions
Payment Allocation Methodology
Telehealth
Mental Health and Coping
Grant Opportunities and Guidance
COVID-19 News
Optimizing Ventilators
Community-Based Testing Sites

Text Resize A A A Print Share Facebook Twitter

CARES Act Provider Relief Fund

Update: [HHS Extends Deadline for Attestation, Acceptance of Terms and Conditions for Provider Relief Fund Payments to 45 Days](#)

President Trump is providing support to healthcare providers fighting the COVID-19 pandemic through the bipartisan CARES Act and the Paycheck Protection Program and Health Care Enhancement Act that provide \$175 billion in relief funds to hospitals and other healthcare providers on the front lines of the coronavirus response. This funding supports healthcare-related expenses or lost revenue attributable to COVID-19 and ensures uninsured Americans can get testing and treatment for COVID-19.

\$50 billion of the Provider Relief Fund is allocated for general distribution to Medicare facilities and providers impacted by COVID-19, based on eligible providers' net patient revenue. The remaining \$50 billion is allocated to providers in areas particularly impacted by the COVID-19 outbreak, rural providers, and providers who serve low-income populations and uninsured Americans.

FOR PROVIDERS. Providers can use the portals below to sign an attestation, to accept or reject the funds, agree to [terms and conditions](#), submit revenue information, and request reimbursement. Read the descriptions below to find the appropriate portal.

CARES Act Provider Relief Fund Payment Attestation Portal

Providers who have been allocated a payment **must** use this portal to sign an attestation confirming receipt of the funds and agree to the terms and conditions within 45 days of payment.

[Sign Attestation](#)

General Distribution Portal

Medicare providers for whom HHS did not have adequate cost report data on file **must** use this portal to submit their revenue information and agree to the terms and conditions to receive funds.

Providers who received funds automatically **must** submit their revenue information to be verified via the portal.

[Submit Cost Report](#)

COVID-19 Uninsured Program Portal

Providers who have conducted COVID-19 testing or provided treatment for uninsured COVID-19 individuals on or after February 4, 2020 **may** use this portal to request claims reimbursement.

[Request Reimbursement](#)

\$50 billion general allocation

\$50 billion of the Provider Relief Fund is allocated for general distribution to Medicare facilities and providers impacted by COVID-19, based on eligible providers' net patient revenue. The initial \$30 billion was distributed between April 10 and April 17, and the remaining \$20 billion is being distributed beginning Friday, April 24.

- To expedite providers getting money as quickly as possible, \$30 billion was distributed immediately, proportionate to providers' share of Medicare fee-for-service reimbursements in 2019. On Friday, April 10, \$26 billion was delivered to bank accounts. The remaining \$4 billion of the expedited \$30 billion distribution was sent on April 17.
- This simple formula used the data on-hand to get the money out the door as quickly as possible. The Administration was transparent and upfront additional funds would be going out quickly to help providers with a relatively small share of their revenue coming from Medicare fee-for-service, such as children's hospitals.

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- This simple formula used the data on-hand to get the money out the door as quickly as possible. The Administration was transparent and upfront additional funds would be going out quickly to help providers with a relatively small share of their revenue coming from Medicare fee-for-service, such as children's hospitals.
- HHS will begin distribution of the remaining \$20 billion of the general distribution to these providers on April 24 to augment their allocation so that the whole \$50 billion general distribution is allocated proportional to providers' share of net patient revenue.
- On April 24, a portion of providers will automatically be sent an advance payment based off the revenue data they submit in CMS cost reports. Providers without adequate cost report data on file will need to submit their revenue information to the [General Distribution Portal](#) for additional general distribution funds.
 - Providers who receive their money automatically will still need to submit their revenue information so that it can be verified via the [General Distribution Portal](#).
 - For more information, read the [FAQs on the General Distribution Portal - PDF](#).
- Payments will go out weekly, on a rolling basis, as information is validated, with the first wave being delivered at the end of this week (April 24, 2020).
- Providers who receive funds from the general distribution have to sign an attestation confirming receipt of funds and agree to the terms and conditions of payment and confirm the CMS cost report. [Click here to sign the attestation and accept the Terms and Conditions](#)
- The [Terms and Conditions](#) also include other measures to help prevent fraud and misuse of the funds. All recipients will be required to submit documents sufficient to ensure that these funds were used for healthcare-related expenses or lost revenue attributable to coronavirus. There will be significant anti-fraud and auditing work done by HHS, including the work of the Office of the Inspector General.
- [Read the methodology for targeted allocation payments.](#)
- President Trump is committed to ending surprise bills for patients. As part of this commitment, as a condition to receiving these funds, providers must agree not to seek collection of out-of-pocket payments from a presumptive or actual COVID-19 patient that are greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network provider.
- [View a list of providers](#) who received a payment from the General Distribution of the Provider Relief Fund who have attested payments as of May 4, 2020.

Rural Distribution - \$10 Billion

Rural hospitals, many of whom were operating on thin margins prior to COVID-19, have also been particularly devastated by this pandemic. As healthy patients delay care and cancel elective services, rural hospitals are struggling to keep their doors open. \$10 billion of the Provider Relief Fund is being paid to rural healthcare providers.

- Eligible recipients of the \$10 billion rural distribution include, rural acute care general hospitals and Critical Access Hospitals (CAHs), Rural Health Clinics (RHCs), and Community Health Centers located in rural areas.
- Hospitals and **RHCs will each receive a minimum base payment plus a percent of their annual expenses.** This expense-based method accounts for operating cost and lost revenue incurred by rural hospitals for both inpatient and outpatient services.
- The base payment will account for RHCs with no reported Medicare claims, such as pediatric RHCs, and CHCs lacking expense data, by ensuring that all clinical, non-hospital sites receive a minimum level of support no less than \$100,000, with additional payment based on operating expenses.**
- Rural acute care general hospitals and CAHs will receive a minimum level of support of no less than \$1,000,000, with additional payment based on operating expenses.
- Eligible providers have begun receiving funds in the coming days via direct deposit, based on the physical address of the facilities as reported to the Centers for Medicare and Medicaid Services (CMS) and the Health Resources and Services Administration (HRSA), regardless of their affiliation with organizations based in urban areas.
- [View the state-by-state breakdown - PDF.](#)

RURAL TARGETED DISTRIBUTION

What was the formula used to make the Rural Distribution payment to rural hospitals?
(Added 5/12/2020)

Rural Distribution payments were made to rural acute care general hospitals and Critical Access Hospitals (CAHs), Rural Health Clinics (RHCs), and Community Health Centers located in rural areas. Hospitals and RHCs will each receive a minimum base payment plus a percent of their annual expenses. This method accounts for operating cost and lost revenue incurred by rural hospitals for both inpatient and outpatient services. The base payment will account for RHCs with no reported Medicare claims, such as pediatric RHCs, and CHCs lacking expense data, by ensuring that all clinical, non-hospital sites receive a minimum level of support no less than \$100,000, with additional payment based on operating expenses. Rural acute care general hospitals and CAHs will receive a minimum level of support of no less than \$1,000,000, with additional payment based on operating expenses.

Is it accurate that rural hospitals would receive 4% of operating expenses from the Rural Distribution? What year's Medicare cost report was used? *(Added 5/12/2020)*

Rural hospitals received a graduated base payment plus approximately 2% of total operating expenses reported on their most recent, publicly available cost reports. The base payment gradually increases from \$1 to \$3 million depending on hospital operating expenses and establishes a floor for rural hospitals to support their financial stability during the COVID-19-pandemic. The additional amount is a percentage of each individual hospital's total operating expenses so that payments are related to the actual operating expenses that rural hospitals are incurring. Worksheet G-3, Line 4 of the Medicare hospital cost report was used for total operating expenses. If cost reports were more or less than a year in length, then total operating expenses were adjusted to reflect a full year.

Calculation of Targeted Rural Distribution

CAH and PPS Hospitals

Based on operating expenses from the cost report: Worksheet G3 Line 4

Scale for hospital base payment:

50% of first \$2M op exp = \$1M
40% of second \$2M op exp = \$.8M
30% of third \$2M op exp = \$.6M
20% of fourth \$2M op exp = \$.4M
10% of fifth \$2M op exp = \$.2M
...add that up and you get \$3M base for 10M op exp
\$10M and over is \$3M base payment

Add-on to base payment:

2% of operating expense including the base portion (approximate 2%)

Example:

A hospital with \$50M operating expense calculation:

\$3M base payment plus \$1M add-on equals \$4M Total Payment

\$1M represents 2% of \$50M

Rural Health Clinics

Freestanding RHCs: \$103,253K each plus a 3.7% addon payment

Provider-based RHC: No base per RHC, these expenses included in G3 Line 4

Federally Qualified Health Clinics

All Sites located in a rural area will receive \$103,253K per site.

4040.4 Worksheet G-3 - Statement of Revenues and Expenses--

The worksheets require the reporting of total revenues for the entire facility and total operating expenses for the entire facility. If cost report total revenues and total expenses differ from those on your filed financial statement, submit a reconciliation report with the cost report submission.

Line 1--Total Patient Revenue--Transfer from Worksheet G-2, Part I, line 26, column 3.

Line 2--Less: Allowance and Discounts on Patient's Accounts--Enter on this line total patient revenues not received. This includes:

Provision for Bad Debts,
Contractual Adjustments,
Charity Discounts,
Teaching Allowances,
Policy Discounts,
Administrative Adjustments, and
Other Deductions from Revenue

Line 3--Net Patient Revenues--Subtract line 2 from line 1.

Line 4--Less: Total Operating Expenses--Transfer from Worksheet G-2, Part II, line 41.

Line 5--Net Income from Service to Patients--Subtract line 4 from line 3.

Lines 6-23--Enter on the appropriate line 6 through 23 all other revenue not reported on line 1. Obtain these amounts from your accounting books and/or records.

Line 24--Other (Specify)--Enter from hospital books. Enter all other revenue not reported on lines 6 through 23. Obtain this from your accounting books and/or records. Subscript this line as necessary.

Line 25--Total Other Income--Enter the sum of lines 6 through 24.

Line 26--Total--Enter the sum of lines 5 and 25.

Line 27--Other Expenses (Specify)--Enter all other expenses not reported on lines 6 through 24.

Line 28--Total Other Expenses--Enter the sum of lines 27 and subscripts.

Line 29--Net Income (or Loss) for the Period--Enter the result of line 26 minus line 28.

How are the Rural Distributions Calculated for RHCs

How to Allocate HHS Rural Distribution Proceeds to Provider-Based RHCs Based upon a Hospital with \$10 million of Operating Expenses

Hospital Department	Operating Expenses	Allocation Percent	Allocation
Acute Care	5,000,000	32%	1,600,000
Home Health	2,000,000	32%	640,000
Skilled Nursing Home	2,000,000	32%	640,000
Rural Health Clinic	<u>1,000,000</u>	<u>32%</u>	<u>320,000</u>
Totals	<u>10,000,000</u>	<u>32%</u>	<u>3,200,000</u>

Using the Freestanding computation, the RHC would be allocated \$140,253 which is the base amount of \$103,253 plus 3.7% of operating Expenses.

CARES Act Provider Relief Fund General Distribution FAQs (19 pages)

CARES Act Provider Relief Fund Frequently Asked Questions

Provider Relief Fund-General Information

[Overview](#)

[Attestation Process](#)

[Rejecting Payments](#)

[Terms and Conditions](#)

[Appeals](#)

[Publication of Payment Data](#)

General Distribution

[Overview and Eligibility](#)

[Payment Application Portal \(i.e., DocuSign\)](#)

[Determining Additional Payments](#)

[Data Sharing](#)

Rural Targeted Distribution

High Impact Area Hospitals

PROVIDER RELIEF FUND—GENERAL INFORMATION

Overview

Who is eligible to receive payments from the Provider Relief Fund?

Provider Relief Funds are being disbursed via both “General” and “Targeted” Distributions.

General Distribution

To be eligible for the general distribution, a provider must have billed Medicare in 2019 and provide or provided after January 31, 2020 diagnoses, testing, or care for individuals with possible or actual cases of COVID-19. HHS broadly views every patient as a possible case of COVID-19. \$50 billion will be disbursed in the General Distribution.

All providers retaining funds must sign an attestation and accept the terms and conditions associated with payment. Providers must also submit tax documents and financial loss estimates if they wish to be eligible for additional funds.

Targeted Distributions

A description of the eligibility for the announced Targeted Distributions can be found [here](#).

U.S. healthcare providers may be eligible for payments from the remaining funds through Targeted Distributions that have not yet been announced. Information on future Targeted Distributions will be shared when publicly available.

Is this a loan or a grant?

If a provider meets certain terms and conditions, the payments received do not need to be repaid at a later date. These terms and conditions can be found [here](#).

Do I have to pay this back?

Retention and use of funds are subject to certain terms and conditions. If these terms and conditions are met, payments do not need to be repaid at a later date.

My organization bills Medicare through the Medicare Advantage program. I did not receive funding in the general distribution. When can I expect to receive funding? (Added 5/12/2020)

Providers that did not receive funding under the General Distribution may be included in future allocations under the Provider Relief Fund. Additional information will be posted as available at <https://www.hhs.gov/provider-relief/index.html>.

How will additional stimulus payments be processed or handled?

A description of additional disbursements can be found [here](#).

Attestation

What action does a provider need to take after receiving a Provider Relief Fund payment? (Added 5/12/2020)

The CARES Act requires that providers meet certain terms and conditions if a provider retains a Provider Relief Fund payment. If a provider chooses to retain the funds, it must attest that it meet these terms and conditions of the payment. The [CARES Act Provider Relief Fund Payment Attestation Portal](#) will guide you through the attestation process to accept or reject the funds. Not returning the payment within 45 days of receipt will be viewed as acceptance of the [Terms and Conditions](#). A provider must attest for each of the Provider Relief Fund distributions received.

Does the Provider Relief Fund Payment Attestation Portal require payment recipients to attest that the payment amount was received? (Added 5/12/2020)

Yes. The Payment Attestation Portal requires payment recipients to (1) confirm they received a payment and the specific payment amount that was received; and (2) agree to the Terms and Conditions of the payment.

If a provider received two direct payments through the General Distribution, can a provider accept one payment and then reject the other payment? (Added 5/12/2020)

Yes. If a provider would like to reject one payment, the provider may still accept future distribution payments. The provider must attest through the Payment Attestation Portal for accepted payments.

https://www.hhs.gov/sites/default/files/provider-relief-fund-general-distribution-faqs.pdf?fbclid=IwAR2Kq7yruQAI_2BNXcaUwmcL-J8yiXi5oPrgNMCfYLpo0S4h2GPMq75f3LA

What should you do once you receive your Provider Relief Funds

- Put the money from the different tranches (General Allocation, Rural Allocation, or PPP) in separate bank accounts.
- Set up separate General Ledger accounts related to additional COVID-19 Expenses that are in excess of usual and customary expenses. (Don't double dip)
- Keep auditable records & receipts on how you spend the money.
- Use your PPP money first to pay payroll if you are in your 8-week forgiveness spending period.
- Begin documenting your "lost revenue" from the previous year for the Provider Relief funds. Compare monthly net revenues in 2019 to 2020 to determine how much lost revenue you have and compare that to the amount of provider relief funds.
- Attest within 45 days of receiving the monies.
- Use the money to pay payroll (after the 8 weeks of PPP) and other expenses to keep the clinic financially viable.



General Ledger Accounts for Stimulus Funding

When you
Deposit
the Check

General Ledger Account	Type	Debit	Credit
Rural Provider Relief Distribution Bank Account	Asset	103,253	
Deferred Rural Provider Relief Stimulus Revenue	Liability		103,253

When you
Spend the
Funds

General Ledger Account	Type	Debit	Credit
Payroll Expense-COVID-19	Expense	103,253	
Rural Provider Relief Distribution Bank Account	Asset		103,253

When you
recognize
the revenue

General Ledger Account	Type	Debit	Credit
Deferred Rural Provider Relief Stimulus Revenue	Liability	103,253	
Rural Provider Relief Stimulus Revenue	Revenue		103,253

What can you **not** do with the Rural Provider Allocation funds?

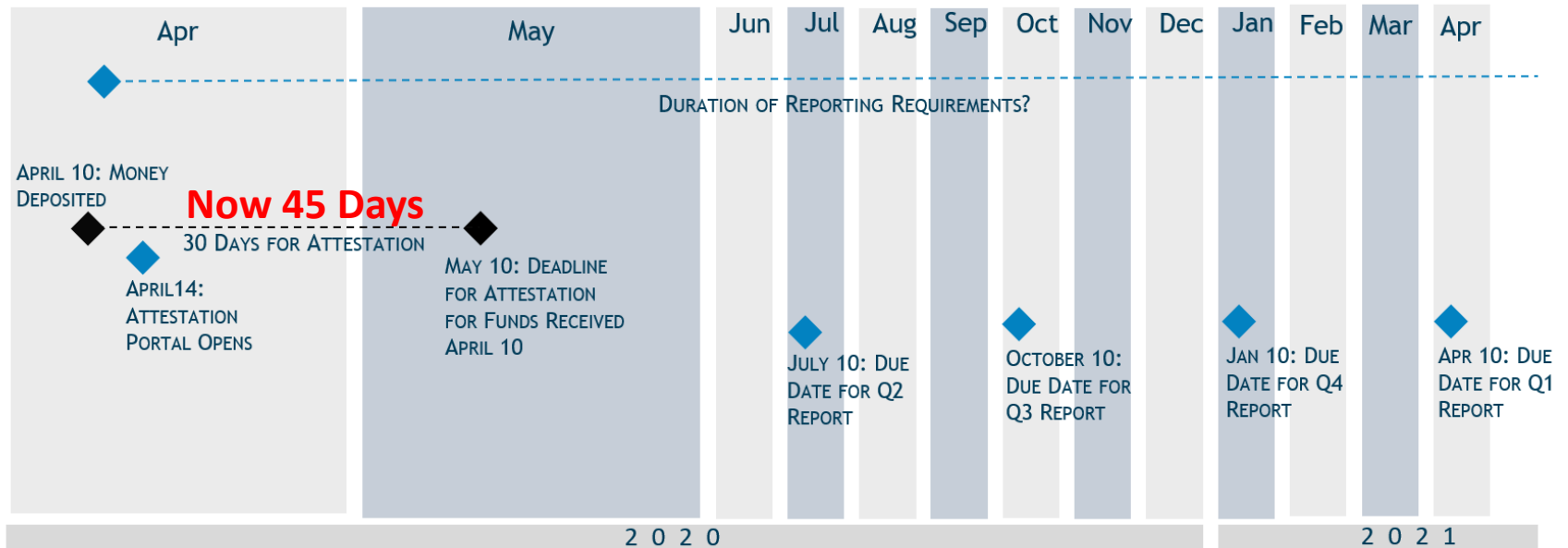
- SEC. 202. **Executive Pay. None of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II: (Currently \$197,300 for 2020)**
- SEC. 210. Funding Prohibition for Gun Control Advocacy. None of the funds made available in this title may be used, in whole or in part, to advocate or promote gun control.
- SEC. 503. Lobbying
- SEC. 506. Prohibits Use of Federal Funds for Abortions.
- SEC. 507. Limitations on Abortion Funding Prohibition
- SEC. 508. Prohibits Use of Funds for Embryo Research
- Sec. 509. Prohibits Promotion of Legalization of Controlled Substances
- SEC. 520. Pornography.
- SEC. 521. Prohibits Funding ACORN or Its Affiliates or Subsidiaries.
- SEC. 527. Prohibits Federal Funding for Needle Exchange Except in Limited Circumstances.

Did both freestanding and provider-based rural health clinics receive funding under the Rural Distribution? *(Added 5/14/2020)*

If the RHC is owned by a rural hospital or CAH, the hospital received the payment. Rural hospitals that own RHCs (also known as provider-based RHCs) report their RHCs' operating expenses as part of the hospital cost report. Since provider-based clinics operate under the ownership and administrative and financial control of the hospital, the RHC expenses are included in the base payments and additional payments calculated for the rural hospital. These provider-based RHCs did not receive separate payments. Urban hospitals did not receive Rural Distribution payments and neither did provider-based RHCs. If the RHC is a freestanding, independent facility, then it received the payment directly.

Time-Line for the General Distribution

CARES ACT PROVIDER RELIEF FUND (\$30B FUND)




TIMELINE FOR RECEIVING MONEY AND MEETING TERMS AND CONDITIONS

Any Recipient that is an entity receiving more than \$150,000 total in funds from the CARES Act or any other Act primarily making appropriations for the coronavirus response and related activities shall submit a report no later than 10 days after the end of each calendar quarter containing the following: (See Next Slide)

This Quarterly HHS report Data Requirements per the HHS Terms & Conditions

- 1. the total amount of funds received from HHS** under one of the foregoing enumerated Acts;
- 2. the amount of funds received that were expended** or obligated for each project or activity;
- 3. a detailed list of all projects or activities** for which large covered funds were expended or obligated, including: the name and description of the project or activity,
- 4. and the estimated number of jobs created or retained** by the project or activity, where applicable;
- 5. and detailed information on any level of sub-contracts or subgrants** awarded by the covered recipient or its subcontractors or subgrantees, to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 allowing aggregate reporting on awards below \$50,000 or to individuals, as prescribed by the Director of the Office of Management and Budget."

A white rectangular card is placed on a light-colored wooden surface. The card has the words "NO", "DOUBLE", and "DIPPING!" written in large, bold, black, hand-drawn capital letters. The background behind the card is a warm, orange-brown color, possibly a wall or a light fixture.

**NO
DOUBLE
DIPPING!**

Can not be the same expenses that have been reimbursed by other sources. For Example PPP Funds

WHAT TO TRACK

The quarterly reports for HHS and the Pandemic Response Accountability Committee must contain the following data points:

- Total amount of funding received from HHS under one or more of the federal coronavirus response and relief package
- Breakdown of relief funds spent or obligated by project or activity
- Detailed list of all projects or activities for which relief funds were spent or obligated, including name, description and estimated number of jobs created or retained (if applicable)
- Detailed information on any subcontracts or subgrants awarded by the relief recipient or its subcontractors or subgrantees
- Confirmation that lost revenue or expenses tracked would not have been reimbursed from other sources



What are some of the Additional Expenses that RHCs can Claim?

1. Overtime and shift differentials
2. Bonuses
3. Incentive pay
4. Temporary Agency Usage
5. Personal Protection Equipment
6. Additional Housekeeping
7. Additional Infection Control Expenses



!!!! Can not be the same expenses that have been reimbursed by other sources

What does the Economic Relief Tracking Tool for RHCs Look Like

Economic Relief Tracking Tool		Tranche 3 RPA-10											
Insert Total Funds Received													
Total Funds Expended		\$ -											
Total Funds Remaining		\$ -											
Expense Categories		Allowable?	Month Expense Incurred										2020 Total
			March	April	May	June	July	August	September	October	November	December	
Staff Training & Orientation	X												0
Temporary Information Technology	X												0
Costs to Support Patient Triage	X												0
Patient Screening	X												0
Telemedicine	X												0
Specialty Cleaning Supplies	X												0
Medical Equipment Filters	X												0
Costs to Convert Space	X												0
Consumable Protective Equipment	X												0
Consumable Protective Supplies	X												0
Other - Specify	X												0
Other - Specify	X												0
Other - Specify	X												0
Other - Specify	X												0
Total Funds Expended			0	0	0	0	0	0	0	0	0	0	0

[Economic Relief Tracking Tool for RHCs](#)

Calculation of the General Distribution

Provider Relief Funds				
Net Revenue Per 2018 tax return				193,803
Two Percent of Net Revenue				3,876
Amount Paid on 4/10/2020				1,242
Amount paid on 5/15/2020				<u>2,634</u>
Variance				<u><u>0</u></u>

[Economic Relief Tracking Tool for RHCs](#)

Estimate of Lost Revenues

Revenues		Monthly Revenues										
Revenue	Gross/Net?	March	April	May	June	July	August	September	October	November	December	2020 Total
2020	Net	41,322	14,620	-							-	55,942
2019	Net	35,385	37,974	-								73,359
Variance		5,937	(23,354)	-	-	-	-	-	-	-	-	(17,417)

How do I estimate lost revenue in March or April?

You may use a reasonable method of estimating the revenue during March and April compared to the same period had COVID-19 not appeared. For example, if you have a budget prepared without taking into account the impact of COVID-19, the estimated lost revenue could be the difference between your budgeted revenue and actual revenue. It would also be reasonable to compare the revenues to the same period last year.



Rejecting
the
Payment

Rejecting Payments

How can I return a payment I received under the Provider Relief Fund? (Added 5/6/2020)

Providers may return a payment by going into the attestation portal within 45 days of receiving payment and indicating they are rejecting the funds. The CARES Act Provider Relief Fund Payment Attestation Portal will guide providers through the attestation process to reject the funds.

As explained in the attestation portal, to return the money, the provider would need to contact their financial institution and ask the institution to refuse the received Automated Clearinghouse (ACH) credit by initiating an ACH return using the ACH return code of "R23 - Credit Entry Refused by Receiver." If a provider received the money via ACH they must return the money via ACH. If a provider was paid via paper check, after rejecting the payment in the attestation portal, the provider should destroy the check if not deposited or mail a paper check to UnitedHealth Group with notification of their request to return the funds.

How should a provider return an electronic payment it received via ACH? (Added 5/12/2020)

The provider must return the payment via ACH.

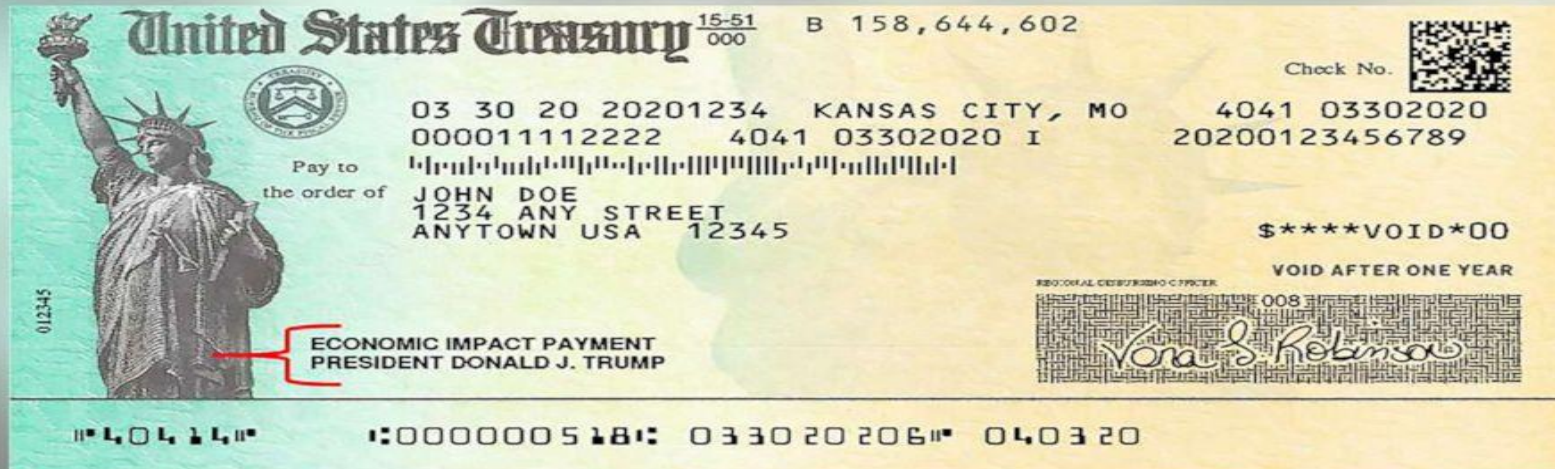
How does a provider who received an electronic payment return funding if their financial institution will not allow them to return the payment electronically? (Added 5/12/2020)

Contact UnitedHealth Group's Provider Support Line at (866) 569-3522.

How should a provider return a payment it received via check? (Added 5/12/2020)

If the provider received a payment via check and has not yet deposited it, destroy, shred, or securely dispose of it. If the provider has already deposited the check, mail a refund check for the full amount, payable to "UnitedHealth Group" to the address below. Please list the check number from the original Provider Relief Fund ACH payment or check in the memo.

UnitedHealth Group
Attention: CARES Act Provider Relief Fund
PO Box 31376
Salt Lake City, UT 84131-0376



What should a provider do if a General Distribution payment is greater than expected or received in error? *(Added 5/6/2020)*

Providers that have been allocated a payment must sign an attestation confirming receipt of the funds and agree to the Terms and Conditions within 45 days of payment. Generally, if a provider does not have or anticipate having COVID-related lost revenues or increased expenses equal to or in excess of the relief payments received, they should return the funds. If a provider believes it was overpaid or may have received a payment in error, it should reject the entire General Distribution payment and submit the appropriate revenue documents through the General Distribution portal to facilitate HHS determining their correct payment. If a provider believes they are underpaid, they should accept the payment and submit their revenues in the provider portal to determine their correct payment.

<https://www.hhs.gov/sites/default/files/provider-relief-fund-general-distribution-faqs.pdf?>

Provider Relief Funds



What if you have not received your Rural Distribution Check?

"I've heard that some RHCs began getting Provider Relief Payment checks yesterday and today. If you have any clients that have been paid by CHECK could you please let us know. We are trying to coordinate with the HHS folks to see where there are still gaps. We know that some didn't get EFTs because they might get a check. Now that the Checks are arriving, we're trying to see how much that may have narrowed the field of those that did not get payments.

Also PLEASE send me a separate list of the names of any of your clients that have **not** received ANY Provider Relief payment that is actually CERTIFIED as an RHC. At this time, we trying to identify those RHCs that have received a CCN as an RHC as of May 1st (when HHS announced the release of the money) that did not get a payment either EFT or Check.

Please send me the name and address of the clinic as well as the RHC's CCN.

Thanks,

Bill

Bill Finerfrock
202-544-1880
bf@capitolassociates.com"

The logo for NARHC (National Association of Rural Health Clinicians) features the acronym "NARHC" in a bold, black, sans-serif font. The text is centered within a white oval shape, which is itself set against a larger, light blue oval background with a darker blue border.

If my three checks are more than \$150,000 can I send back the amount that gets us under the \$150,000 threshold so I do not have to keep up with how I spend this money, plus my lost revenue was not that much in March and April?

Answer:

- 1.No, you can not send back a portion of the check, you must accept it in total or send it back in full.
2. Just because you received less than \$150,000 does not mean you don't have to report how you used this money or your lost revenue, it just means you do have to report it quarterly.
3. Just because your lost revenue was less than the amount received during March and April does not mean it will not be over the summer as COVID-19 will affect revenues for a much longer time. Most clinics actually had a great March and the effect of COVID-19 was felt in April.

How to Attest for the General Fund Distribution (\$50 Billion)

What information do I need to have before I start the application process?

Eligibility

To enter the Provider Relief Fund Payment Portal you must meet two criteria:

1. You must have already received a Provider Relief Fund Payment by 5:00 pm EST, Friday April 24th
2. You must attest to having received the payment via the Provider Attestation Portal, and you must agree to the Terms and Conditions on the attestation portal.

Data

Before you initiate your application via the Provider Relief Fund Payment Portal, please collect the following data

1. The Taxpayer Identification Number for the organization applying for Provider Relief funds. (“Application TIN”)
2. The Taxpayer Identification Number(s) of any subsidiary organizations if and only if those organizations do not file separate tax returns, but rather consolidate into the returns of the “Application TIN”. If your organization has subsidiaries that file separate tax returns, a separate application must be made for each subsidiary that files a separate return.
3. An estimate the organization’s lost revenue for March 2020 and April 2020. Lost revenue can be estimated by comparing year-over-year revenue, or by comparing budgeted revenue to actual revenue. For April 2020, an estimate of the total monthly loss based on data from the first few weeks in April or by extrapolation from March data is acceptable.
4. A copy of the most recent tax form filed by the organization associated with the Application TIN.

Is this a grant or loan?

Is this a loan or a grant?

If a provider meets certain terms and conditions, the payments received do not need to be repaid at a later date. These terms and conditions can be found [here](#).

Do I have to pay this back?

Retention and use of funds are subject to certain terms and conditions. If these terms and conditions are met, payments do not need to be repaid at a later date.

Source: <https://www.hhs.gov/sites/default/files/provider-relief-fund-general-distribution-faqs.pdf>

Does HHS intend to recoup any payments made to providers not tied to specific claims for reimbursement, such as the General Distribution payments? (Added 5/6/2020)

The Provider Relief Fund and the Terms and Conditions require that recipients be able to demonstrate that lost revenues and increased expenses attributable to COVID-19, excluding expenses and losses that have been reimbursed from other sources or that other sources are obligated to reimburse, exceed total payments from the Relief Fund. Generally, HHS does not intend to recoup funds as long as a provider's lost revenue and increased expenses exceed the amount of Provider Relief funding a provider has received. HHS reserves the right to audit Relief Fund recipients in the future to ensure that this requirement is met and collect any Relief Fund amounts that were made in error or exceed lost revenue or increased expenses due to COVID-19. Failure to comply with other Terms and Conditions may also be grounds for recoupment.

RHCs must be able to demonstrate the following

Lost Revenues

Plus Increased Expenses attributable to COVID-19

Minus Expenses or Losses reimbursed from other sources

= More than the Relief Fund Distribution Payment

Is this income taxable?

- The HHS grants under the \$100B Public Health and Social Services Emergency Fund **are expected to be considered taxable income to the recipient's healthcare providers.** To the extent the grants funds COVID related expenses, those expenses should be deductible against the income from the grant.



1. For the SBA PPP expenses. That would include payroll for the 8 weeks and employers payroll taxes on the line for Other?

Answer: Employer FICA taxes are not forgivable so do not include them in the application for forgiveness. Certain state and local payroll taxes may be forgiven. Check with your tax CPA.

2. Would you only record those expenses on the PPP sheet until the 8 weeks end then record the payroll on the next deposit which came from HHS?

Answer: Yes, to the extent that the payroll expenses may be claimed as increased expense related to COVID-19, you will want to claim them in a period not covered by the PPP payment. No Double dipping.

3. What about rent? Would that be part of the PPP and not the other deposits?

Answer: Rent is on the list of forgivable expenses for PPP so use it there. Rent could be an increased expense due to COVID-19 in certain circumstances.

4. Additionally professional fees for record keeping for the HHS and SBA for keeping track of the information need for the deposits is that looked at as an expenses due to the virus?

Answer: For SBA loans, I do not see that on the list of forgivable expenses. For HHS purposes based upon current guidance it should qualify.

Can you tell me, the reporting that we have to do for the HHS funds, is the RHC disbursement included in the \$100,000 reporting amount from HHS? For example, our two HHS funds disbursements equaled less than \$100,000, but we are well over that with the RHC Fund. Will we need to report quarterly, and is there a form for that?

Yes, you will have to report on a quarterly basis as you have received more than \$150,000 in total from HHS COVID-19 Relief Funds. There is no HHS approved form as of May 18, 2020, but keep up with your lost revenue and expenses, so you are ready to report on July 10, 2020.

If we recently
terminated from
the RHC program
and received the
HHS Rural
Distribution of
\$103,253 what
should we do?



We don't know. We are working on this now.

Questions?

Thank You!!!

