# Provider Relief Funds Reporting Requirements for RHCs
## Healthcare Business Specialists
## Sponsored by Azalea Health and ChartSpan
## October 8, 2020 - 1:00 PM Eastern

# MEET OUR SPEAKERS 

HBS
Healthcare Business Specialists

# Contact Information

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Become a fan and Like us on Facebook for more RHC information

HBS

Healthcare Business Specialists

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RHC Information Exchange Group on Facebook

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


**Charles James, Jr.-**Charles took the position of President & CEO in 2004 after the loss of the company founder, Charles James, Sr. North American celebrates its 25th year in business in 2017. Charles began his career with James Clinic running the IT department. As part of North American, Charles has overseen & helped develop all aspects of the company. Today, North American is a proud gold-certified, Aprima EHR/PRM. In addition, he provides Revenue Cycle Management, RHC certification/cost reporting/Annual Evaluations, Provider Enrollment, and Financial Consulting to all types of healthcare entities.

**Have Questions?**
**Toll Free: 888-968-0076**
**Local: 314-968-0076**

Jeff Bramschreiber, Lead facilitator – Partner

Since 1986, Jeff Bramschreiber has worked with all types and sizes of medical practices, from sole practitioners to 200+ physician medical groups, in both urban and remote rural locations. Jeff has successfully developed strategies to improve revenue, reduce costs, and enhance the profitability of numerous medical practices.


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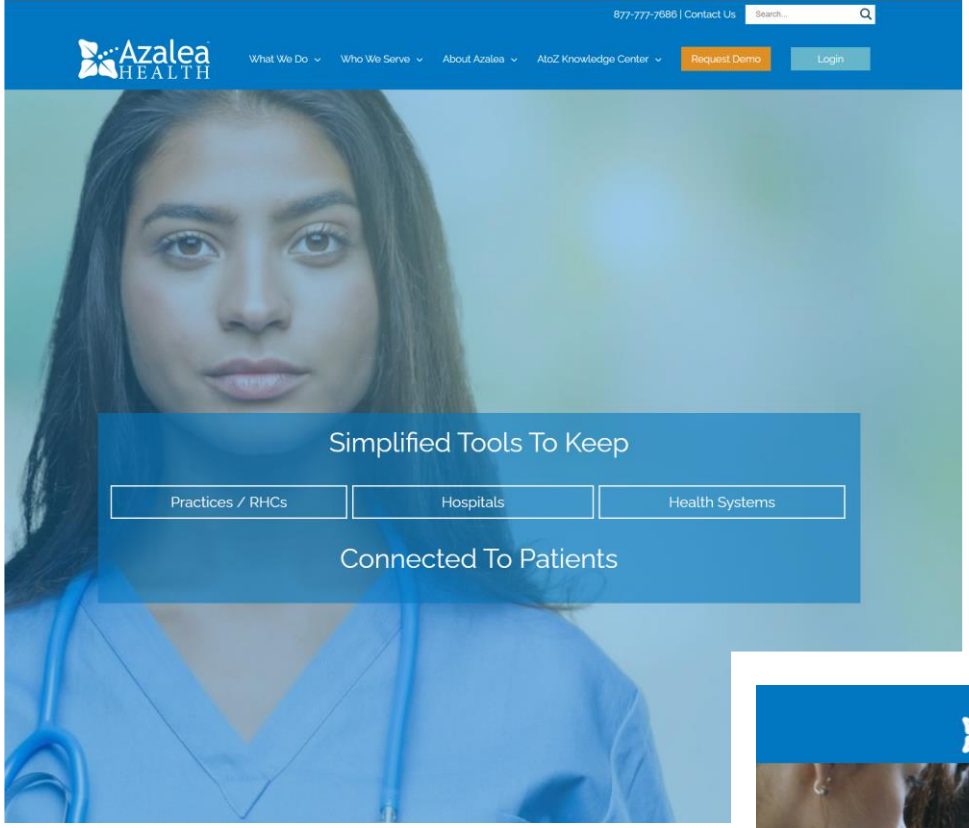
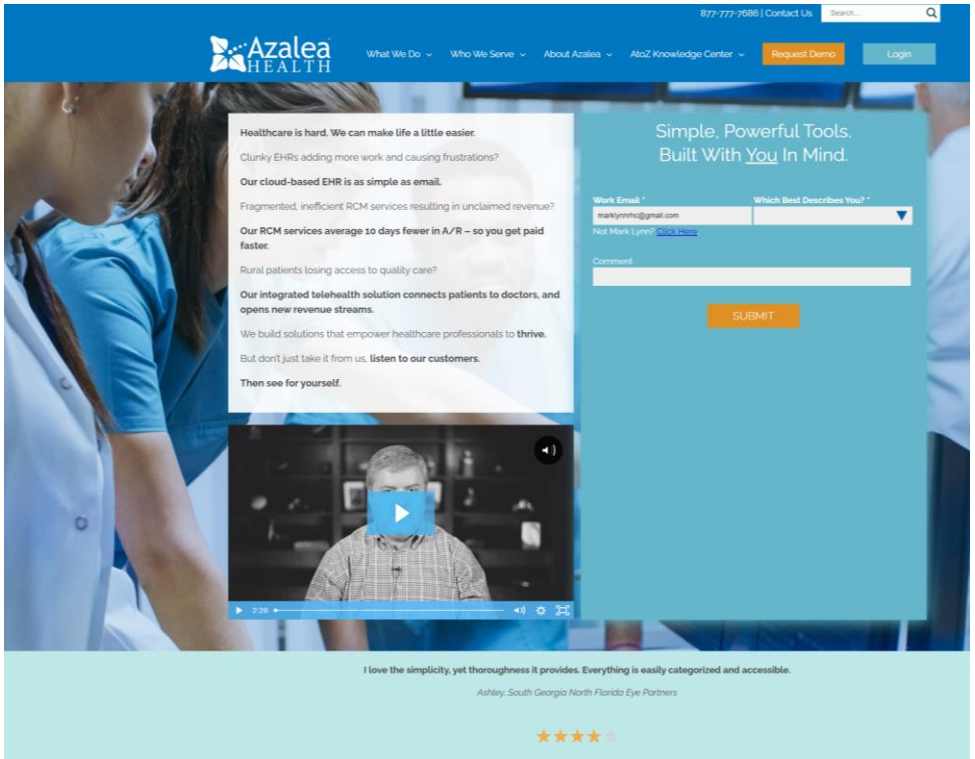
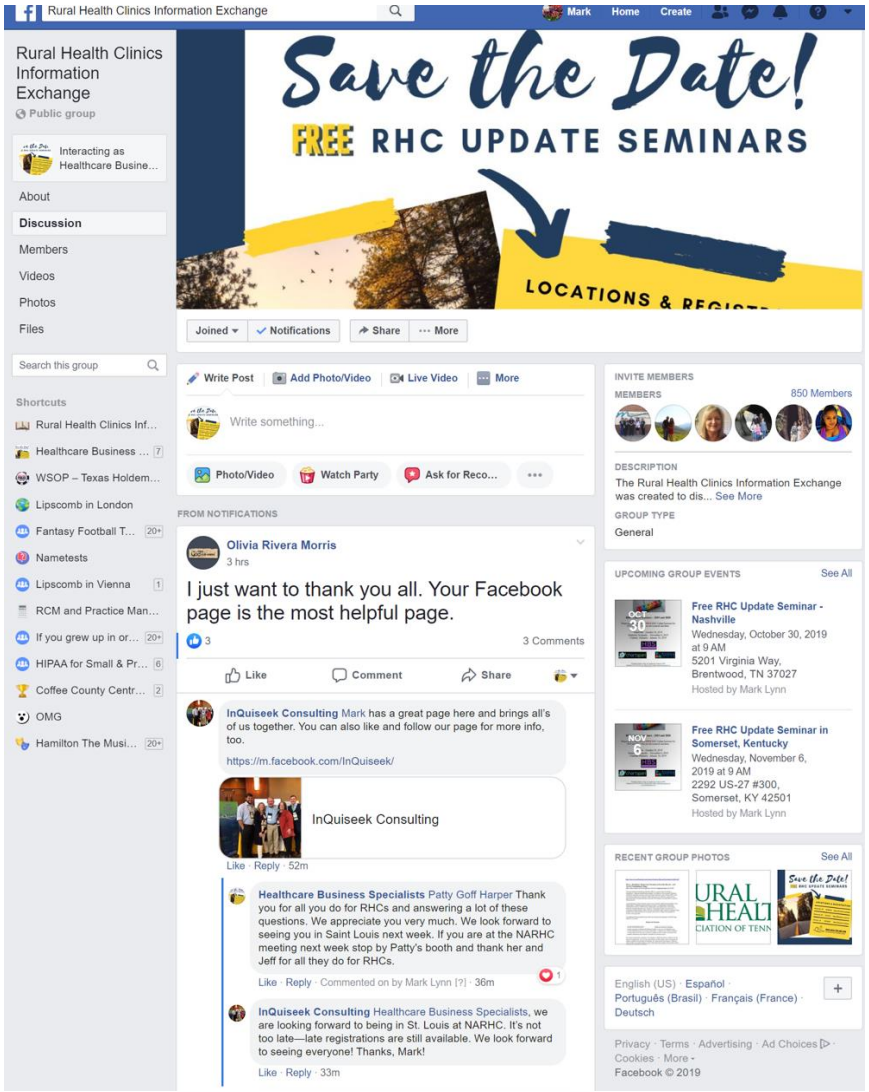



Azalea HEALTH

https://www.azaleahealth.com/






# 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

**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


October 8, 2020: Healthcare Business Specialists will conduct a webinar on Provider Relief Funds Reporting Requirements for RHCs. Please find the Slide presentation and links to resources cited in the Presentation.

- Provider Relief Funds Reporting Requirements Powerpoint Slides for October 8, 2020 (PDF)
- NRHA Questions regarding Provider Relief Fund Guidance on October 8, 2020 (3-page PDF)
- Provider Relief Funds Distributed as of October 8, 2020
- 2020 Required Data for RHC COVID Reporting on October 7 2020
- 2020 Provider Relief Funds Questionnaire



# 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 October 8, 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 will correct it.

Please type your questions in the Question box and submit them. We will not be answering questions on this webinar due to time constraints but will prepare an FAQ with the answers if possible or email us directly.

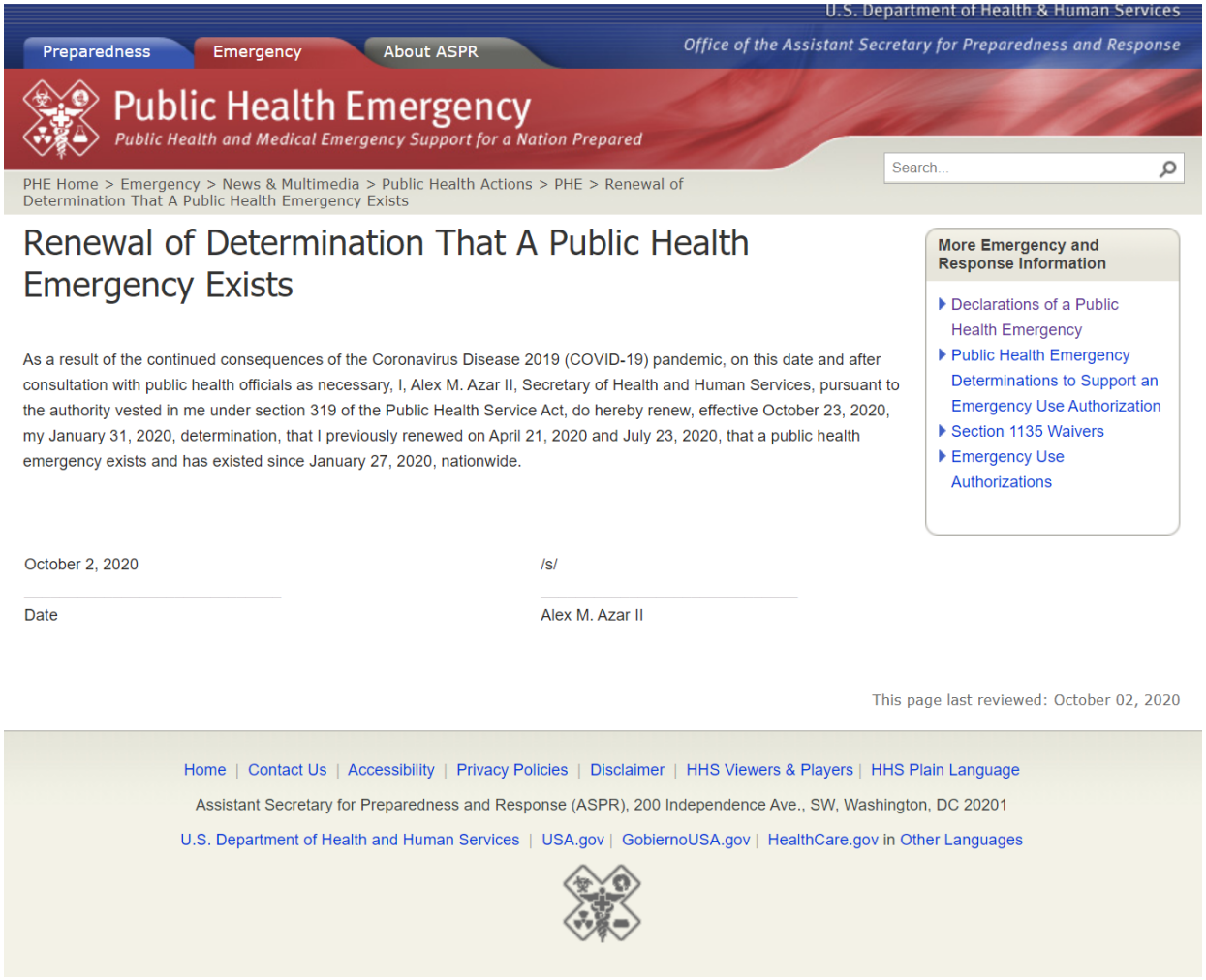
Slides and Recording of this session will be posted to the Facebook Group and on the HBS COVID-19 Website.

# Agenda

- CMS Renews the Public Health Emergency Declaration
- Mandatory COVID-19 Lab Testing Portal for Rural Health Clinics
- Phase 3 Provider Relief Funding Opportunity Announced
- Provider Relief Fund Reporting Requirements


Extension of the Public Health Emergency

# CMS Renews the Public Health Emergency Declaration on October 2, 2020



U.S. Department of Health & Human Services

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Office of the Assistant Secretary for Preparedness and Response

Public Health Emergency

Public Health and Medical Emergency Support for a Nation Prepared

Search...

PHE Home > Emergency > News & Multimedia > Public Health Actions > PHE > Renewal of Determination That A Public Health Emergency Exists

## Renewal of Determination That A Public Health Emergency Exists

As a result of the continued consequences of the Coronavirus Disease 2019 (COVID-19) pandemic, on this date and after consultation with public health officials as necessary, I, Alex M. Azar II, Secretary of Health and Human Services, pursuant to the authority vested in me under section 319 of the Public Health Service Act, do hereby renew, effective October 23, 2020, my January 31, 2020, determination, that I previously renewed on April 21, 2020 and July 23, 2020, that a public health emergency exists and has existed since January 27, 2020, nationwide.

**More Emergency and Response Information**

- Declarations of a Public Health Emergency
- Public Health Emergency Determinations to Support an Emergency Use Authorization
- Section 1135 Waivers
- Emergency Use Authorizations

October 2, 2020 — Date

/s/ — Alex M. Azar II

This page last reviewed: October 02, 2020

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Assistant Secretary for Preparedness and Response (ASPR), 200 Independence Ave., SW, Washington, DC 20201

U.S. Department of Health and Human Services | USA.gov | GobiernoUSA.gov | HealthCare.gov in Other Languages

https://www.phe.gov/emergency/news/healthactions/phe/Pages/covid19-2Oct2020.aspx

# What does Extending the PHE to potentially January 23, 2021 mean for RHCs

| The Extension of the PHE allows RHCs to: |
| --- |
| 1. RHCs may continue to bill Telehealth until the end of the PHE |
| 2. The Waivers that CMS has granted RHCs will continue to be available |
| A. Telemedicine |
| B. RHCs are not required to have a NP/PA/CNM onsite at least 50% of the time. |
| C. RHCs can Establish Facilities without Walls (Temporary Expansion Sites) |
| D. RHCs can be paid for Home Visits by Nurses |
| E. Bed Count for Provider-Based RHCs and RHC Payment Limit: |

RHC COVID-19 Waivers Memo from CMS

https://www.cms.gov/files/document/covid-rural-health-clinics.pdf

# Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs): CMS Flexibilities to Fight COVID-19

*** Indicates items added or revised in the most recent update*

Since the beginning of the COVID-19 Public Health Emergency, the Trump Administration has issued an unprecedented array of temporary regulatory waivers and new rules to equip the American healthcare system with maximum flexibility to respond to the 2019 Novel Coronavirus (COVID-19) pandemic. These temporary changes will apply immediately across the entire U.S. healthcare system for the duration of the emergency declaration. The goals of these actions are to 1) expand the healthcare system workforce by removing barriers for physicians, nurses, and other clinicians to be readily hired from the community or from other states; 2) ensure that local hospitals and health systems have the capacity to handle a potential surge of COVID-19 patients through temporary expansion sites (also known as CMS Hospital Without Walls); 3) increase access to telehealth in Medicare to ensure patients have access to physicians and other clinicians while keeping patients safe at home; 4) expand in-place testing to allow for more testing at home or in community based settings; and 5) put Patients Over Paperwork to give temporary relief from many paperwork, reporting and audit requirements so providers, health care facilities, Medicare Advantage and Part D plans, and States can focus on providing needed care to Medicare and Medicaid beneficiaries affected by COVID-19.

***Medicare Telehealth***

- *Payment for Medicare Telehealth Services:* Section 3704 of the CARES Act authorizes RHCs and FQHCs to furnish distant site telehealth services to Medicare beneficiaries during the COVID-19 PHE. Medicare telehealth services generally require an interactive audio and video telecommunications system that permits real-time communication between the practitioner and the patient. (During the PHE, some telehealth services can be furnished using audio-only technology.) RHCs and FQHCs with this capability can provide and be paid for telehealth services furnished to Medicare patients located at any site, including the patient's home, for the duration of the COVID-19 PHE. Telehealth services can be furnished by any health care practitioner working for the RHC or the FQHC within their scope of practice. Practitioners can furnish telehealth services from any distant site location, including their home, during the time that they are working for the RHC or FQHC, and can furnish any telehealth service that is included on the list of Medicare telehealth services under the Physician Fee Schedule (PFS), including those that are added on an interim basis during the PHE. A list of these services, including which can be furnished via audio-only technology, is available at https://www.cms.gov/Medicare/Medicare-General-Information/Telehealth/Telehealth-Codes.



***Workforce***

- *Home Nursing Visits:* RHCs and FQHCs can provide visiting nursing services to a beneficiary's home with fewer requirements, making it easier for beneficiaries to get care from their home.
  - Any area typically served by the RHC, and any area that is included in the FQHC's service area plan, is determined to have a shortage of home health agencies, and no request for this determination is required;
  - Any RHC/FQHC visiting nurse service solely to obtain a nasal or throat culture would not be considered a nursing service because it would not require the skills of a nurse to obtain the culture as the specimen could be obtained by an appropriately-trained medical assistant or laboratory technician; and
  - The revised definition of "homebound" will apply to patients receiving visiting nursing services from RHCs and FQHCs.

- *Certain staffing requirements:* CMS is waiving the requirement in the second sentence of 42 CFR §491.8(a)(6) that a nurse practitioner, physician assistant, or certified nurse-midwife be available to furnish patient care services at least 50 percent of the time the RHC and FQHC operates. CMS is not waiving the first sentence of §491.8(a)(6) that requires a physician, nurse practitioner, physician assistant, certified nurse-midwife, clinical social worker, or clinical psychologist to be available to furnish patient care services at all times the clinic or center operates. This will assist in addressing potential staffing shortages by increasing flexibility regarding staffing mixes during the PHE.

- *Physician supervision of Nurse Practitioners in RHCs and FQHCs:* We are modifying the requirement at 42 C.F.R. 491.8(b)(1) that physicians must provide medical direction for the clinic's or center's health care activities and consultation for, and medical supervision of, the health care staff, only with respect to medical supervision of nurse practitioners, and only to the extent permitted by state law. The physician, either in person or through telehealth and other remote communications, continues to be responsible for providing medical direction for the clinic or center's health care activities and consultation for the health care staff, and medical supervision of the remaining health care staff. This allows RHCs and FQHCs to use nurse practitioners to the fullest extent possible and allows physicians to direct their time to more critical tasks.

***CMS Facility without Walls (Temporary Expansion Sites)***

- *Temporary Expansion Locations*: CMS is waiving the requirements at 42 CFR §491.5(a)(3)(iii) which require RHCs and FQHCs be independently considered for Medicare approval if services are furnished in more than one permanent location. Due to the current PHE, CMS is temporarily waiving this requirement removing the location


# Mandatory RHC COVID-19 Lab Reporting Requirements


# Mandatory RHC COVID-19 Lab Reporting Requirements

## TECHNICAL ASSISTANCE WEBINARS

The National Association of Rural Health Clinics is dedicated to bringing the most current and up to date information to those in the rural health clinic arena. All webinars are offered free of charge and available to both members and non-members alike. Please feel free to share the information from the webinars with those you feel would benefit most from it. We advertise upcoming webinars through our Technical Assistance Forum in which you can **subscribe** for updates.

**CLICK HERE** to view a complete list of past TA Calls including recordings

***CRHCP Recipients:*** *For details on how to receive your CEU for the TA Webinar you attended Click Here.*

(listed from newest to oldest)

**Navigating RHC Covid Reporting Requirements**
Tuesday October 6, 2020

- Webinar Recording
- Slide Presentations (PDF)
- Webinar Transcript

https://www.narhc.org/narhc/TA_Webinars1.asp

Report this information on a Monthly Basis to https://www.rhccovidreporting.com/

| Required Data for RHC COVID Reporting RHCCOVIDReporting.com | |
|---|---|
| **Please Check One** | |
| **Independent** | ☐ |
| **Provider Based** | ☐ |
| **Tax Identification Number** | |
| TIN | |
| **CCN Numbers of all RHCs owned by your TIN organization** | |
| CCN #1 | |
| CCN #2 | |
| CCN #3 | |
| **Any addresses where your TIN organization provides (or provided testing)** | |
| Address | |
| Address Line 2 | |
| City, State, Zip | |
| *Second Address of Provided Testing (if any)* | |
| Address | |
| Address Line 2 | |
| City, State, Zip | |
| *Third Address of Provided Testing (if any)* | |
| Address | |
| Address Line 2 | |
| City, State, Zip | |

Excel Spreadsheet

2020 Required Data for RHC COVID Reporting on October 7 2020

| Number of COVID Tests performed across your entire TIN organization by mont | |
|---|---|
| May | |
| June | |
| July | |
| August | |
| September | |
| October | |
| November | |
| December | |
| **Number of positive results from those tests by month** | |
| May | |
| June | |
| July | |
| August | |
| September | |
| October | |
| November | |
| December | |
| **For what purpose(s) has your TIN organization used or plan to use RHC COVID-19 testing program funds? (select all that apply)** | |
| Building or construction of temporary structures | ☐ |
| Leasing of properties | ☐ |
| Retrofitting facilities to support COVID-19 testing | ☐ |
| planning for implementation of a COVID-19 testing program | ☐ |
| Procuring supplies to provide testing | ☐ |
| Training providers and staff on COVID-19 testing procedures | ☐ |
| Items and/or services furnished to an individual that results in an order or the administration of COVID-19 testing | ☐ |
| Staff time and salary associated with COVID-19 testing | ☐ |
| Other (please specify) | ☐ |

# Provider Relief Funds For RHCs

# CARES Act Provider Relief Fund is $175 Billion
# To Date $106 Billion has been disbursed

## Provider Relief Funds Distributed as of October 8, 2020

| Allocation | General Round 1 | General Round 2 | Rural Allocation | RHC Testing | Medicaid/CHIP |
|---|---|---|---|---|---|
| **Distribution** | $30 billion | $20 billion | $10 billion | $225 million | $25 billion |
| **Date** | April 10-17 | April 24th and after | May 6th | May 20th | June/July |
| **Amount** | 6.2% of 2019 Medicare Reimbursement | minus round 1 payment | 103k minimum + 3.6% of operating expenses | 49.6k flat for Covid-19 Testing | At least 2% gross revenue from patient care |

# HHS Announces New Opportunity to Apply for Provider Relief Fund Resources

Congress allocated $175 billion to HHS for the CARES Act Provider Relief Fund. As of September 24, HHS had allocated $122.9 billion of those funds.
That funding has been divided between:

- General Distributions – Two General Distributions – Phase 1 ($50 billion) and Phase 2 ($18 billion) – distributed through a combination of proactive distributions and application-based awards, and
- Targeted Distributions – Proactive distributions to specific provider types.

HHS has allocated an additional $20 billion for another General Distribution, which they have deemed "Phase 3 General Distribution." **HHS encourages providers to apply early.** The new distribution methodology will take into account other applicants, so HHS will not be able to calculate full awards until it has received and reviewed all applications.

**Virtually all health care providers should be eligible to apply for funding in this distribution.** Even those providers who received funding previously may be newly eligible for consideration.

# General Distributions and Targeted Distributions have different rules on use of funds!

## Targeted Distributions

HHS is allocating targeted distribution funding to providers in areas particularly impacted by the COVID-19 outbreak, rural providers, and providers requesting reimbursement for the treatment of uninsured Americans. The fast and transparent dispersal of funds gives relief to those providers who are struggling to keep their doors open.

| Targeted Distribution | Total Amount | Recipients |
|---|---|---|
| COVID-19 High-Impact Distribution | $22 billion | 395 hospitals in high-impact areas (first round) |
| | | 695 hospitals in high-impact areas (second round) |
| Rural Distribution | $10.2 billion | Almost 4,000 rural health care providers |
| | ~$1.1 billion | Close to 500 specialty rural hospitals, urban hospitals with certain rural Medicare designations, and hospitals in small metropolitan areas |
| Allocation for Skilled Nursing Facilities (SNFs) | $4.9 billion | Over 13,000 skilled nursing facilities |
| | ~$2.5 billion | Over 15,000 skilled nursing facilities and nursing homes |
| Allocation for Tribal Hospitals, Clinics, and Urban Health Centers | $500 million | Around 300 Tribal Hospitals, Clinics, and Urban Health Centers |
| Allocation for Safety Net Hospitals | ~$10.3 billion | Eligible safety net hospitals |
| | ~$3 billion | 215 acute care facilities |
| | ~$1.4 billion | 80 free-standing children's hospitals |

*A portion of the funds are also distributed to providers who serve uninsured individuals based on COVID-19-related testing and treatment provided on or after February 4, 2020.*

# Provider Relief Fund General Distribution

Can a parent organization allocate Provider Relief Fund General Distribution to subsidiaries that do not report income under their parent's employee identification number (EIN)? *(Added 7/22/2020)*

Yes. The Terms and Conditions place restrictions on how the funds can be used. In particular, the parent organization will be required to substantiate that these funds were used for increased healthcare-related expenses or lost revenue attributable to COVID-19, and that those expenses or losses were not reimbursed from other sources and other sources were not obligated to reimburse them.

# Provider Relief Fund Targeted Distribution

Can a parent organization with a direct ownership relationship with a subsidiary that received a Provider Relief Fund Targeted Distribution payment control and allocate that Targeted Distribution payment among other subsidiaries that were not themselves eligible and did not receive a Targeted Distribution (i.e., Skilled Nursing Facility, Safety Net Hospital, Rural, Tribal, High Impact Area) payment? *(Added 7/22/2020)*

No. The parent entity may not transfer a Provider Relief Fund Targeted Distribution payment from the recipient subsidiary to a subsidiary that did not receive the payment. Control and use of the funds must remain with the entity that received the Targeted Distribution payment. The purpose of Targeted Distribution payments is to support the specific financial needs of the payment recipient.

## Phase 3 General Distribution

# Learn about the **Provider Relief Fund**

HRSA
Health Resources & Services Administration

**COVID-19 financial assistance for providers of health care services and support in a medical setting, at home, or in the community**

October 5, 2020

https://www.hhs.gov/sites/default/files/provider-relief-fund-6-steps-to-apply.pdf

# Provider Relief Fund

October / November 2020

**NEW funding available!** Healthcare providers can now apply for additional payments from the **Phase 3 General Distribution**

Provider Relief Fund offers financial support to healthcare providers who have experienced lost revenues and/or expenses attributable to COVID-19.

## Up to $20 billion

in payments to be distributed in the Phase 3 General Distribution

**Click here to apply!**

Applications open Oct. 5, 2020

## Application & Payment

**Nov. 6, 2020** at 11:59 p.m. ET is the deadline to submit both your Taxpayer Identification Number (TIN) and all financial information.

**Please submit your application quickly to expedite payment process**

Payment is based on:

- Assessed revenue losses and expenses attributable to COVID-19
- 2% of annual patient care revenue (if not previously received)
- Prior Provider Relief Fund distributions

**Recipients must attest to terms & conditions within 90 days of payment**

Distributions do not need to be repaid if providers comply with terms & conditions

For additional information, please call **(866) 569-3522**

## Eligibility

**Apply for Phase 3 if you experienced a decrease in operating income attributable to COVID-19**

You are eligible to apply whether you were eligible for, applied for, received, accepted, or rejected prior PRF payment

**You may be eligible if you are a:**

- Behavioral health provider
- Dental provider
- Home and community-based services
- Primary care or specialty practice
- And many others
- See if you're eligible

## Download:

- Step-by-step provider guide
- Application instructions
- Sample application form
- HHS.gov/providerrelief

HRSA Health Resources & Services Administration

https://www.hhs.gov/sites/default/files/provider-relief-phase-3-fact-sheet.pdf

# Phase 3 General Distribution Announced on October 1, 2020

HRSA
Health Resources & Services Administration

**New funding available: Provider Relief Fund Phase 3 General Distribution**

## Additional Funding Released

**Starting Oct. 5, you can apply to receive funds based on assessed revenue losses and expenses due to COVID-19. The opportunity to receive up to 2% of annual revenue from patient care remains active.**

Dear Valued Provider:

Healthcare providers, including your organization, may now apply for the recently announced Phase 3 General Distribution of the Provider Relief Fund (PRF). The U.S. Department of Health and Human Services (HHS), through the Health Resources and Services Administration (HRSA), will be distributing up to $20 billion in Phase 3, as part of ongoing efforts to offer financial support to healthcare providers for expenses and lost revenues attributable to the coronavirus disease 2019 (COVID-19).

**You may be eligible for additional funding from the Phase 3 General Distribution. Applications for Phase 3 opened on Oct. 5, 2020 and will close on Nov. 6, 2020 at 11:59 p.m. ET.**

https://tinyurl.com/y4nltuys

# Who is Eligible and What is new in the Phase 3 Distribution

**RHCs need to apply even if you received previous distributions!!!**

## Who is eligible?

You may be eligible regardless of whether you previously were eligible for, applied for, received, accepted, or rejected payment from prior PRF general distributions. You should apply for funding if you experienced expenses and/or lost revenues attributable to COVID-19 that have not been reimbursed by other sources.

## What's new in Phase 3?

Under this Phase 3 General Distribution allocation, providers, including those who have already received Provider Relief Fund payments, will be invited to apply for funding that considers financial losses and changes in operating expenses caused by COVID-19. Additionally, all provider submissions will be reviewed to confirm they have received a Provider Relief Fund payment equal to approximately 2 percent of patient care revenue from prior general distributions. Applicants that have not yet received Provider Relief Fund payments of 2 percent of patient revenue will receive a payment that, when combined with prior payments (if any), equals 2 percent of patient care revenue.

# What do RHCs need to go to apply for these funds

**Action required**

Submit your application to the Provider Relief Fund Application and Attestation Portal between Oct. 5, 2020 and Nov. 6, 2020 at 11:59 p.m. ET to be considered for funding from the Phase 3 General Distribution. https://cares.linkhealth.com/#/

The Portal will collect financial information including operating revenues and expenses from patient care. Please note that the Phase 3 application is slightly different from the Phase 2 form, requiring additional revenue and expense data entries in order to calculate payment based on assessed financial impact of COVID-19. Even if you previously submitted revenue information, you will need to submit a new application so HHS can collect all required fields. All payments will still be subject to the rules regarding permissible use of PRF payments.

The application instructions and sample application form are available at hhs.gov/providerrelief. The website also includes a step-by-step application guide and FAQs. Download and review all of these documents to help you prepare for the process.

https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/index.html

# How to find out more information about Phase 3 Funding

**HHS will host a webcast on Oct. 15, 2020 at 3 p.m. ET for potential applicants to review the application process and have their questions answered. Please register now and check the PRF website for updated information.**

**Additional information**

For additional information, please call the Provider Support Line at (866) 569-3522; for TTY, dial 711. Hours of operation are 7 a.m. to 10 p.m. Central Time, Monday through Friday. Service staff members are available to provide real-time technical assistance, as well as service and payment support.

Thank you for all you are doing to support and protect the American people during this difficult time.

Thomas J. Engels
Administrator
Health Resources and Services Administration
United States Department of Health and Human Services

**Please register now and check the PRF website for updated information.**

# Phase 3 Provider Distribution Instructions

## INSTRUCTIONS FOR PHASE 3 – GENERAL DISTRIBUTION APPLICATION VIA PROVIDER RELIEF FUND APPLICATION AND ATTESTATION PORTAL


Overview

Definitions

Application Requirements

Application Field Instructions

Additional Instructions for New Providers


### Overview

The sample application form is available at: https://www.hhs.gov/sites/default/files/provider-distribution-application-form.pdf.

If you began filling out an application before October 5, 2020, the previous instructions are available at: https://www.hhs.gov/sites/default/files/provider-distribution-instructions-phase-2.pdf.

**If you began filling out an application before October 5, 2020, you may request a new application link through the Provider Relief Fund Application and Attestation Portal.**

### Definitions

"Applicant" means an individual or entity eligible to apply.

"Included subsidiary" means an entity that (i) is a disregarded entity for federal income tax purposes and (ii) reports its revenues on the applicant's federal income tax return's line for "gross receipts or sales" or "program service revenue."

"Patient care" means health care, services and support, as provided **in a medical setting, at home, or in the community** to individuals who may currently have or be at risk for COVID-19, whereby HHS broadly views every patient as a possible case of COVID-19.

"Applicant with revenue adjustments" means an applicant that acquired or disposed of (whether by sale, termination, or otherwise) included subsidiaries such that its revenue as calculated in the table above is more than 20% larger or smaller than the adjusted revenue number as calculated using the Revenue Worksheet in Field 15.

"Operating revenues from patient care" means revenues that represent amounts received for the delivery of health care services directly to patients. Operating revenues from patient care includes revenues for patient services delivered and pharmacy revenue derived through the 340B program. This amount should exclude non-patient care revenue such as insurance, retail, or real estate revenues (exception for nursing and assisted living facilities' real estate revenue where resident fees are allowable); pharmacy revenues



(exception when derived through the 340B program); grants or tuition; contractual adjustments from all third party payors; charity care adjustments; bad debt; any gains and/or losses on investments, and any prior Provider Relief Funds received.

"Operating expenses from patient care" means the operating expenses incurred as part of the delivery of care, including salaries, benefits, medical supplies, contracted and/or employed physicians, and interest and depreciations on building and equipment used in the provision of patient care. Operating expenses should exclude any non-operating expense such as costs incurred on any rental property (exception for nursing and assisted living facilities' real estate costs where resident costs are allowable), contributions made, and gains and/or losses on investments.

"Q1" refers to January 1 – March 31.

"Q2" refers to April 1 – June 30.

"New 2019 Provider" refers to a new entity, with a corresponding new TIN, established in 2019 which began delivering patient care for the first time during the period of January 1, 2019 to December 31, 2019.

"New 2020 Provider" refers to a new entity, with a corresponding new TIN, established in 2020 which began delivering patient care for the first time during the period of January 1, 2020 to March 31, 2020.

### Application Requirements

**Who is eligible to apply?**

*To be eligible to apply, the applicant must meet all of the following requirements:*

1. Either
   a. Must have either (i) directly billed their state **Medicaid/CHIP programs or Medicaid managed care plans** for healthcare-related services during the period of January 1, 2018 to March 31, 2020, or (ii) own (on the application date) an included subsidiary that has either directly billed their state **Medicaid/CHIP programs or Medicaid managed care plans** for healthcare-related services during the period of January 1, 2018 to March 31, 2020; or
   b. Must be a dental service provider who has either (i) directly billed health insurance companies for oral healthcare-related services as of March 31, 2020, or (ii) owns (on the application date) an included subsidiary that has directly billed health insurance companies for oral healthcare-related services as of March 31, 2020;
   c. Must be a licensed dental service provider who does not accept insurance and has either (i) directly billed patients for oral healthcare-related services as of March 31, 2020, or (ii) who owns (on the application date) an included subsidiary that does not accept insurance and has directly billed patients for oral healthcare-related services as of March 31, 2020;
   d. Must have billed Medicare fee-for-service during the period of January 1, 2019 to March 31, 2020;
   e. Must be a Medicare Part A provider that experienced a change in ownership that was approved by the Centers for Medicare & Medicaid Services by August 10, 2020 and billed Medicare fee-for-service during the period of January 1, 2019 and March 31, 2020;
   f. Must be a state-licensed/certified assisted living facility as of March 31, 2020;
   g. Must be a behavioral health provider who, as of March 31, 2020, has either (i) directly billed health insurance companies for health care-related services, or (ii) owns (on the application



https://www.hhs.gov/sites/default/files/provider-distribution-instructions.pdf

# Phase 3 General Allocation Application Form

**Reference ID** _____

CARES Act Provider Relief Fund

Tax ID Number: _____

Name as shown on your income tax return: _____

Federal Tax Classification: _____

Business Name (if different): _____

Street 1: _____

Street 2: _____

City: _____ State: _____ Zip: _____

Registration Type: _____

Group NPI (Group Only): _____

(1) Contact Person Name: _____

(2) Contact Person Title: _____

(3) Contact Person Phone Number: _____

(4) Contact Person Email: _____

(5) Applicant/Provider Type: _____

*Fields 6 - 8 have been intentionally removed*

(9) CMS Certification Number (CCN), if applicable: _____

## REVENUES

(10) Revenues: $ _____

(11) Fiscal Year of Revenues: _____

(12) Percentage of Revenue from Patient Care: _____ %

### 13. OPERATING REVENUES FROM PATIENT CARE

(13.1) 2020 Q1 (Jan 1 – Mar 31): _____ (13.2) 2020 Q2 (April 1 – June 30): _____

(13.3) 2019 Q1 (Jan 1 – Mar 31): _____ (13.4) 2019 Q2 (April 1 – June 30): _____

### 14. OPERATING EXPENSES FROM PATIENT CARE

(14.1) 2020 Q1 (Jan 1 – Mar 31): _____ (14.2) 2020 Q2 (April 1 – June 30): _____

(14.3) 2019 Q1 (Jan 1 – Mar 31): _____ (14.4) 2019 Q2 (April 1 – June 30): _____

## SUPPORTING DOCUMENTS

(15) Upload Revenues Worksheet (if required): _____

(16) Upload Federal Tax Form: _____

(17) Upload supporting documents for 2019 Q1-Q2 operating revenues and expenses from patient care: _____

(18) Upload supporting documents for 2020 Q1-Q2 operating revenues and expenses from patient care: _____

*Fields 19 - 32 have been intentionally removed*

## BANKING INFORMATION

(33) Bank Name: _____

(34) ABA Routing Number: _____

(35) Account Holder Name: _____

(36) Account Number: _____

https://www.hhs.gov/sites/default/files/provider-distribution-application-form.pdf

# What happens when HHS validates the Tax ID Number

## Actions for providers
### Phase 3 General Distribution 2 of 6

### 2 Validate Tax ID Number (TIN)

Provider registers in portal and enters TIN

**Recognized TINs** will be automatically validated and provider may re-enter portal to complete application. This includes:

- TINs from a state-provided 3rd party list
- TINs that were previously verified in prior PRF distributions

**Unrecognized TINs** will go through a three-step validation process

1. HHS shares unrecognized TINs with 3rd party validators, including Medicaid/ CHIP agencies, dental organizations, national provider organizations, etc. **(7-10 business days)**
2. Validator reviews provider information for eligibility (e.g. actively in practice, in good standing, etc.) and shares results with HRSA **(7-10 business days*)**
3. HRSA accepts determination, updates portal, and notifies provider they can re-enter portal to apply **(3-5 business days)**

**For more information on TIN validation, please see FAQs.**

*Assumes validator responds within requested timeframe; please allow 4 weeks for TIN validation

Provider Relief Fund website


GENERAL AND TARGETED DISTRIBUTION
POST-PAYMENT NOTICE OF REPORTING REQUIREMENTS

## Spring, 2020

"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

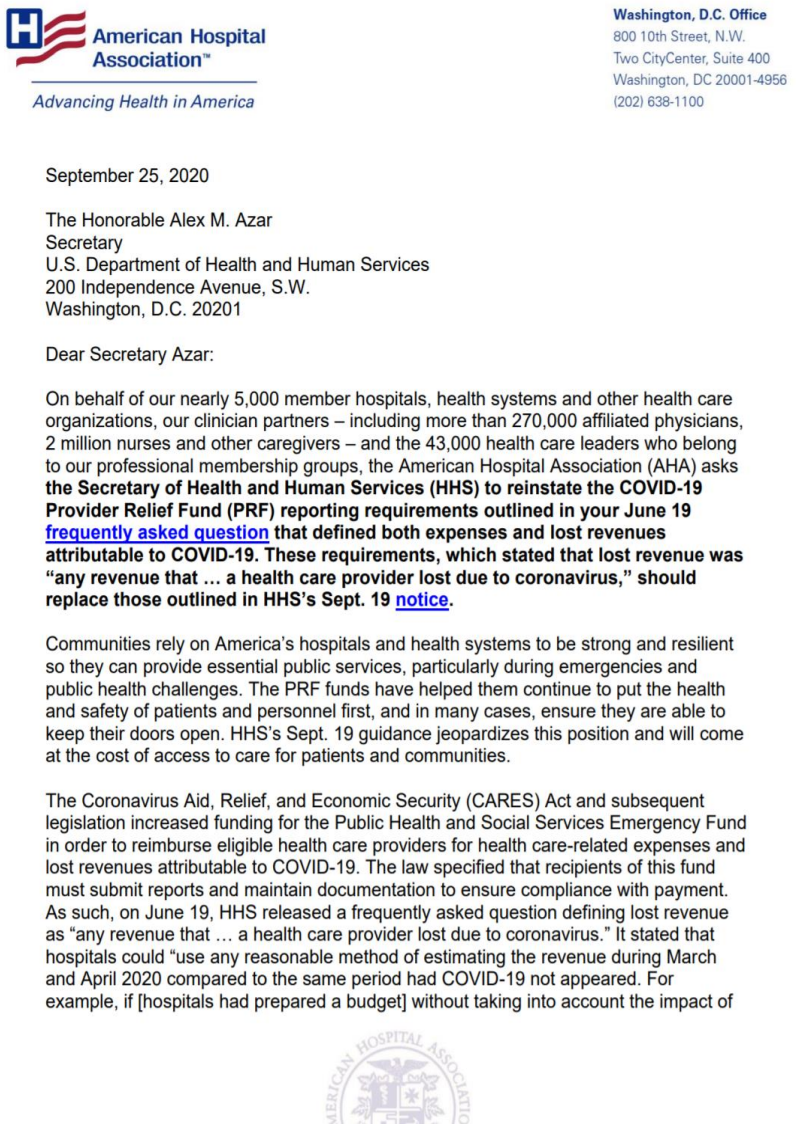
## Fall, 2020

"The American Medical Association estimates that 80% of physician practices will pay back 80% of Provider Relief Funds based upon the most recent guidance"

Source: Minute 33 of webinar https://www.pyapc.com/insights/webinar-covid-19-compliance-with-new-provider-relief-funds-reporting-requirements/

# The American Hospital Association response to the September 19th Provider Relief Funds Reporting Requirements

https://www.aha.org/system/files/media/file/2020/09/aha-urges-hhs-reinstate-june-covid-19-provider-relief-fund-reporting-requirements-9-24-20.pdf



American Hospital Association™
Advancing Health in America

Washington, D.C. Office
800 10th Street, N.W.
Two CityCenter, Suite 400
Washington, DC 20001-4956
(202) 638-1100

September 25, 2020

The Honorable Alex M. Azar
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Azar:

On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, our clinician partners – including more than 270,000 affiliated physicians, 2 million nurses and other caregivers – and the 43,000 health care leaders who belong to our professional membership groups, the American Hospital Association (AHA) asks **the Secretary of Health and Human Services (HHS) to reinstate the COVID-19 Provider Relief Fund (PRF) reporting requirements outlined in your June 19 frequently asked question that defined both expenses and lost revenues attributable to COVID-19. These requirements, which stated that lost revenue was "any revenue that … a health care provider lost due to coronavirus," should replace those outlined in HHS's Sept. 19 notice.**

Communities rely on America's hospitals and health systems to be strong and resilient so they can provide essential public services, particularly during emergencies and public health challenges. The PRF funds have helped them continue to put the health and safety of patients and personnel first, and in many cases, ensure they are able to keep their doors open. HHS's Sept. 19 guidance jeopardizes this position and will come at the cost of access to care for patients and communities.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act and subsequent legislation increased funding for the Public Health and Social Services Emergency Fund in order to reimburse eligible health care providers for health care-related expenses and lost revenues attributable to COVID-19. The law specified that recipients of this fund must submit reports and maintain documentation to ensure compliance with payment. As such, on June 19, HHS released a frequently asked question defining lost revenue as "any revenue that … a health care provider lost due to coronavirus." It stated that hospitals could "use any reasonable method of estimating the revenue during March and April 2020 compared to the same period had COVID-19 not appeared. For example, if [hospitals had prepared a budget] without taking into account the impact of

COVID-19, the estimated lost revenue could be the difference between … budgeted revenue and actual revenue. It also would be reasonable to compare the revenues to the same period last year." However, on Sept. 19, HHS issued a new definition of lost revenue, stating that it was "represented as a negative change in year-over-year net patient care operating income." It specified that after covering the cost of COVID-19-related expenses, hospitals generally only will be able to apply PRF payments toward lost revenue up to the amount of their 2019 net patient operating income.

**HHS's new definition will require many hospitals to return PRF funds based on a new formula and set of metrics that are simply unfair and unrealistic.** This is because the lost revenue hospitals are able to "claim" will be reduced under the new, extremely unconventional definition, as compared to HHS's previous definition. For many, certainly, this lower lost revenue figure still will exceed their PRF payments. But for others, such as those that received substantial PRF payments and/or took aggressive and necessary steps to lower and contain costs during the pandemic, this new figure may be less than their payments, necessitating the return of funds. Many rural hospitals and those serving high numbers of low-income, elderly and severely ill patients, particularly in vulnerable communities, fall into both of these categories; as such, these already financially challenged hospitals are especially at risk for being forced to return payments. For example, one of our members, a rural safety net hospital, estimates that under the new requirements, it would be forced to return approximately $16 million of the $20 million it received from the PRF. Another one of our members reported that 10 of its rural hospitals would be forced to return $20 million of the $65 million they received from the fund. Finally, a third rural hospital member estimates that it would need to return almost 90% of its PRF funds – $3.9 million out of $4.5 million.

HHS made distributions to these rural hospitals for a reason – it stated that it recognized they "operate on especially thin margins," are often in a "precarious financial position," and are extremely "financially exposed to significant declines in revenue or increases in expenses related to COVID-19." The Department stated that it made distributions to hospitals serving vulnerable communities because they "focus on treating the most vulnerable Americans, including low-income and minority patients, [and] are absolutely essential to our fight against COVID-19." Forcing these and other hospitals to return many of their payments runs counter to this reasoning, and to the interest of their patients and communities. This is especially true as those hospitals must work to rebuild their capacity, while continuing to remain in a constant state of readiness for any emergencies, particularly in regard to confronting the pandemic.

While some have pointed out that claiming COVID-19-related costs, in addition to lost revenues, could allow hospitals to avoid returning funds, we do not believe this is universally accurate. Specifically, hospitals with high lost revenues are generally those in areas less affected by COVID-19; as such, they do not generally have the highest COVID-19-related costs. The inverse also applies – hospitals with high COVID-19-related costs are generally hospitals treating high numbers of COVID-19 patients; as



such, they do not generally have the highest lost revenues. Thus, if a hospital has mainly used its lost revenue to justify its PRF payments, it may not have substantial additional costs to apply to these payments.

**In addition, as described above, these requirements offer a substantially different definition of COVID-19-related lost revenue than what HHS previously stated, and under which hospitals have been operating since June. This sudden shift is extremely problematic for hospitals, not only for planning and budgeting purposes, but also for accounting, auditing and bond rating purposes.** It also creates a huge administrative burden. For example, hospitals that had been anticipating the retention of their PRF payments under the previous definition are now being forced to re-evaluate their conclusions under a new, extremely unconventional definition. Many of them, particularly the many hospitals with June 30 fiscal year ends, were in the final process of closing their "books." They are now unable to do so and are scrambling to understand how this new definition affects their situation so that they can explain its implications to their auditors. Some may even be put in a position of failing their bond covenants.

In addition, so much uncertainty exists around this new definition that hospitals face the concerning prospect of having to "pay back" funds to HHS next year. While this may sound relatively simple, it would be an administrative and accounting disaster. For example, if "paying back" fiscal year 2020 income after the books have been closed leads to a revised margin for the year that is negative, a hospital's rating with the bond rating agencies may be negatively affected. These agencies play a critical role in hospitals' access to capital at affordable interest rates. Higher bond interest rates have a long lasting negative impact on hospitals' financial viability.

We urge you to reinstate the June reporting requirements. Hospital and health systems throughout the nation have been relying upon the PRF distributions so that they can better withstand the staggering losses caused by this unprecedented public health crisis. Retaining these funds as entitled under HHS's June frequently asked question will help them continue to serve the patients and communities who depend on them.

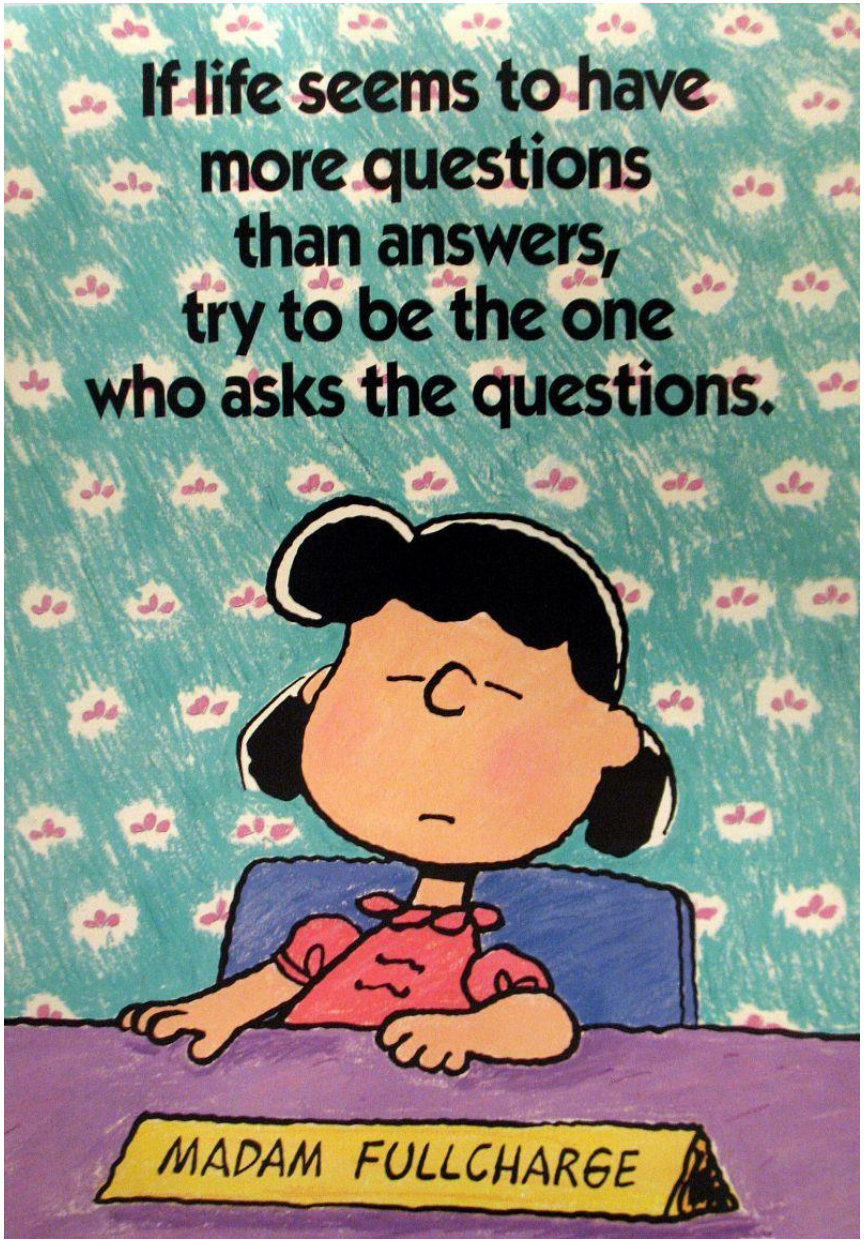
The AHA stands ready to work with HHS to resolve these issues. Please feel free to contact me or have a member of your team contact Joanna Hiatt Kim, vice president of payment policy, at jkim@aha.org.

Sincerely,

/s/

Richard J. Pollack
President and Chief Executive Officer

The “Final” Reporting Requirements have caused more Questions than Answers



# NRHA Questions regarding Provider Relief Fund Guidance on October 8, 2020 (3-page PDF)

**HHS Provider Relief Fund Reporting Questions**
**Submitted by the National Rural Health Association (NRHA)**

The following questions refer to guidance in the Post-Payment Notice of Reporting Requirements – September 19, 2020 in no specific order:

1. Q. These FAQs reiterate that CAHs, RHCs and FQHCs must comply with HRSA's prohibition on using PRF funds to reimburse health care related expenses reimbursed from other sources. Does cost reimbursement of a CAH's COVID-related expenses preclude these a CAH, RHC or FQHC claiming of those same expenses for purposes of reporting and auditing use of PRF funds?

   A: For purposes of reporting and auditing a CAH, RHC or FQHCs use of PRF funds to cover COVID-related expenses, such expenses are not required to be reduced (i.e., offset) if the CAH also reported those same expenses on its cost report.

2. In item #2 referring to "Expenses Attributable to Coronavirus Not Reimbursed by Other Sources (2020 only)", why are these expenses limited to 2020 since it is likely the coronavirus (COVID) will be experienced into 2021 and reporting is allowed through June 30, 2021?

3. If lost revenue is based on a year-to-year comparison of calendar year 2020 (and 1/1 – 6/30/21 if needed) to 2019, why is financial required by calendar quarter? Quarterly reporting, if not needed for a legitimate purpose of the calculations, will be a burdensome requirement for small rural providers and should be eliminated.

4. Can debt principal payments, along with interest, be included in expenses attributable to coronavirus if the loan was incurred to pay COVID expenses?

5. Can debt principal payments, along with interest, be included in the lost revenue calculations (expenses) if the loan pre-existed the public health emergency (PHE) or was incurred during the PHE for non-COVID purposes?

6. Must forgiveness from Payroll Protection Program (PPP) loans be offset against expenses directly attributable to COVID or expenses used in the lost revenue calculation, based on the respective underlying expenses? If so, in what period does the forgiveness get reported? When the underlying expenses were incurred (such as during 2020) or when the loan is officially forgiven by SBA (such as 2020 or 2021)?

7. Please clarify the limit of lost revenue "Recipients that reported negative net operating income from patient care in 2019 may apply PRF amounts to lost revenues up to a net zero gain/loss in 2020.". The sentence seems to present a conflicting limit:
   a. *Assume* the provider had a net loss from net patient care operating income in 2019 of $2,000,000 and a loss in 2020 of $2,500,000. The provider received $3,000,000 in PRF funds.
   b. Is the lost revenue limit $500,000 – the increase in the loss from 2019 to 2020 OR $2,500,000 the amount of the total loss in 2020 OR $2,000,000 the amount of the 2019 loss OR another amount?

8. Can decreases in tax receipts, state grants, other grants that were directed to fund operations (not COVID-related), be used in the lost revenue calculations?
    a. As an example, tax receipts are based on local sales tax which has been negatively impacted because of the economic disruption caused by COVID, therefore the abnormal decrease from 2019 to 2020 was caused by COVID. Can the decreased sales tax receipts be used in the lost revenue calculations?
    b. As an example, state grants for school-based clinics have been terminated early and/or funding amounts reduced because of state budgets cuts attributed to COVID. Can the decreased grant funding be used in the lost revenue calculations?

9. Are incomes and expense related to a 340B contract pharmacy program included in the scope of net patient revenues and expenses for the lost revenue calculation?

10. How are one-time revenue adjustments (positive or negative), such as income from a Medicare appeal, handled in reporting revenue for any period? Should revenue that is attributable to a specific prior year, be adjusted out of either 2019 or 2020? If the income was received in 2020 and was directly attributable to 2019, should the amount be deducted from 2020 and added to 2019? If the income was received in 2020 and attributable to 2018, should the amount be excluded completely?

11. Are incomes and expenses to be reported on cash basis or accrual basis?

12. Please provide additional guidance on expenses that can be considered as "maintaining healthcare delivery capacity" regarding expenses directly attributable to COVID. Some examples:

    a. Expenses related to the lease and associated utilities of a hospital office building for administrative services that predated the PHE. The office building was vacated for 4 months during the PHE while employees were required, by local or state authorities, to work at home. Are the office expenses "attributable to COVID" since the hospital had to continue incurring the expenses for the unused space?
    b. During the PHE, a hospital had to close its physical therapy department and an FQHC had to close its dental unit. The providers continued to pay staff during the closed period. Are the expenses "attributable to COVID"?

13. Is depreciation on healthcare building and equipment an allowable expense to be used in the lost revenue calculation?

14. Are payments for capital purposes, generally over $5,000 per item, allowed to be included in the expenses attributable to COVID and/or the lost revenue calculation? If depreciation is otherwise allowable, if the asset purchase is allowed should the depreciation related to the asset be excluded? As an example, assume a rural hospital spent $250,000 to convert a hospital wing to a COVID unit with negative pressure. Can the entire $250,000 be used as a COVID expense?

15. Are amounts received from state Medicaid programs for uncompensated care included or excluded in the calculation of revenue from patient care for the determination of lost revenue?



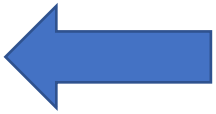
Payment of these amounts come in different forms depending upon the state plan such as: direct payments from the state, add-on payments to claims, grants from entities contracted by the state, etc. Funding is sourced by provider taxes, Medicaid DSH, state appropriations, etc. Most are based on uncompensated care experience of one or two prior years – not current year claims experience.

16. Why are personnel and patient metrics required by calendar quarter? Quarterly reporting, if not needed for a legitimate purpose of the calculations, will be a burdensome requirement for small rural providers and should be eliminated.

17. *Added 10/7/2020 When* will additional guidance on the single audit requirements be issued?

18. *Added 10/7/2020* Are major capital projects allowed as expenses if the need for the project is attributable to Covid?
    a. *Assume* the rural hospital has an emergency room that was constructed many years ago and does not meet current standards needed for Covid of negative pressure, isolation, etc. The physical layout and space are such that retrofit is not prudent or feasible. Expansion and reconfiguration of space is necessary to meet the current requirements. Total project cost $5,000,000. Planning can start by December 31, 2020 with a project completion of 24 months and be operational by December 31, 2022.
    b. Is all or any of the project cost includable as an expense attributable to Covid? Does the project start and completion date enter into the decision? Is there a limit on the amount of project cost?

19. *Added 10/7/2020* Can there be flexibility in the determination of lost revenue? As an example, since revenues and expenses must be reported by calendar quarter, can a provider use a selection of quarters comparing 2020 with a similar period in 2019 or their Board approved and documented 2020 budget to document lost revenue attributable to Covid?



# General and Targeted Distribution Post-Payment Notice of Reporting Requirements

On September 19, 2020, the US Department of Health & Human Services released the General and Targeted Distribution Post-Payment Notice of Reporting for the Provider Relief Fund (PRF), which was authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act.
The six pages of instructions include:

1. Reporting Guidance on Use of Funds
2. Data Elements
    1. Demographic Information
    2. Expenses Attributable to COVID-19 not reimbursed by other sources
        1. General and Administrative Expenses Attributable to COVID-19
        2. Healthcare Related Expenses attributable to COVID-19
3. Lost Revenues attributable to COVID-19
4. Additional non-financial data to be collected (quarterly)

HHS: https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/reporting-auditing/index.html

Source: https://www.hhs.gov/sites/default/files/post-payment-notice-of-reporting-requirements.pdf

# Key takeaways from the September 19th Guidance

- **HHS changed the rules as reported on June 19, 2020.**
- It is going to be much more difficult to keep all the Provider Relief Funds.
- Expenses will be the starting point for the calculation and the definition has changed. All Expenses could be eligible under these guidelines “maintaining healthcare capacity”
- Lost Revenues can not be budgeted revenues – only the variance in net patient revenues from 2019 and 2020. The definition of “lost revenue” is much narrower than before.
- An RHC can NOT make more money in 2020 than in 2019 due to Provider Relief Funds. Any excess will have to be paid back.
- An RHC that lost money in 2019 can use Provider Relief Funds to break even and then must return any excess Provider Relief Funds.
- **Capital Expenditures may be counted as expenses.**

# Wise Words from Wipfli

I participated in 2 different webinars from other firms this week, and they each had a different interpretation of the reporting requirements and potential calculations. **However, they both agreed that many providers should anticipate that they will no longer qualify to retain all of the funds.**

In my view (although I am probably not in the majority of the opinions) it appears that HHS has now taken a "needs based" approach that essentially says if the recipient's financial position is as good or better in 2020 without the HHS funds (but with PPP loan forgiveness) than it was in 2019, there is no longer a need for retaining the HHS money. Recognizing that this pandemic is far from over, it is entirely possible that recipients may incur significant losses through the end of 2020, and beyond. **Therefore, there is no need to panic but just be aware that any surplus of cash that may be on hand today may be needed to offset future losses or pay back some HHS money.**

**Jeffrey J Bramschreiber**, CPA
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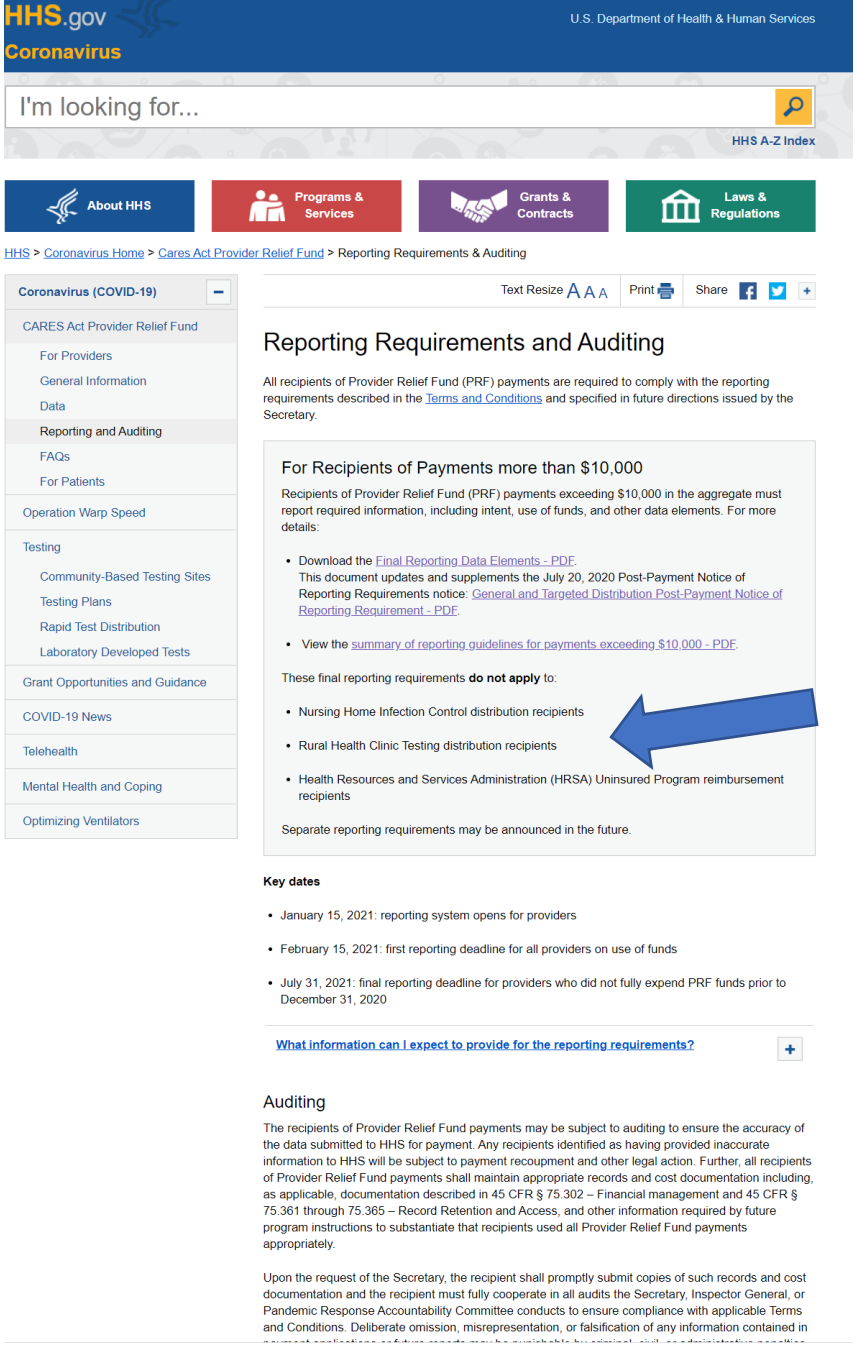
Wipfli LLP / 469 Security Blvd, Green Bay, WI 54313
wipfli.com

Member of Allinial Global, an association of legally independent firms

Jeff Bramschreiber, Lead facilitator – Partner

Since 1986, Jeff Bramschreiber has worked with all types and sizes of medical practices, from sole practitioners to 200+ physician medical groups, in both urban and remote rural locations. Jeff has successfully developed strategies to improve revenue, reduce costs, and enhance the profitability of numerous medical practices.



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## Reporting Requirements and Auditing

All recipients of Provider Relief Fund (PRF) payments are required to comply with the reporting requirements described in the Terms and Conditions and specified in future directions issued by the Secretary.

### For Recipients of Payments more than $10,000

Recipients of Provider Relief Fund (PRF) payments exceeding $10,000 in the aggregate must report required information, including intent, use of funds, and other data elements. For more details:

- Download the Final Reporting Data Elements - PDF.
  This document updates and supplements the July 20, 2020 Post-Payment Notice of Reporting Requirements notice: General and Targeted Distribution Post-Payment Notice of Reporting Requirement - PDF.
- View the summary of reporting guidelines for payments exceeding $10,000 - PDF.

These final reporting requirements **do not apply** to:

- Nursing Home Infection Control distribution recipients
- Rural Health Clinic Testing distribution recipients
- Health Resources and Services Administration (HRSA) Uninsured Program reimbursement recipients

Separate reporting requirements may be announced in the future.

**Key dates**

- January 15, 2021: reporting system opens for providers
- February 15, 2021: first reporting deadline for all providers on use of funds
- July 31, 2021: final reporting deadline for providers who did not fully expend PRF funds prior to December 31, 2020

What information can I expect to provide for the reporting requirements? +

### Auditing

The recipients of Provider Relief Fund payments may be subject to auditing to ensure the accuracy of the data submitted to HHS for payment. Any recipients identified as having provided inaccurate information to HHS will be subject to payment recoupment and other legal action. Further, all recipients of Provider Relief Fund payments shall maintain appropriate records and cost documentation including, as applicable, documentation described in 45 CFR § 75.302 – Financial management and 45 CFR § 75.361 through 75.365 – Record Retention and Access, and other information required by future program instructions to substantiate that recipients used all Provider Relief Fund payments appropriately.

Upon the request of the Secretary, the recipient shall promptly submit copies of such records and cost documentation and the recipient must fully cooperate in all audits the Secretary, Inspector General, or Pandemic Response Accountability Committee conducts to ensure compliance with applicable Terms and Conditions. Deliberate omission, misrepresentation, or falsification of any information contained in

https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/reporting-auditing/index.html

# Summary reporting requirements for recipients of the Provider Relief Fund (PRF)

Providers that receive PRF payments exceeding $10,000 in aggregate are required to report their use of funds, as per the program Terms and Conditions

**Key dates and actions required:**

- **Jan. 15, 2021:** reporting portal opens for providers
- **Feb. 15, 2021:** first reporting deadline for all providers on use of PRF funds
- **July 31, 2021:** final reporting deadline for providers who did not fully expend PRF funds prior to December 31, 2020

**Guidelines for use of PRF funds:**

- PRF funds can be used in the following manner and order:
  - Expenses attributable to coronavirus that are not reimbursed or obligated to be reimbursed from other sources
  - Lost revenues, as represented by a change in net patient care operating income from 2019 to 2020 (revenue less expenses)

## Required reporting data elements

**Lost revenues:**

- Revenue/net charges from patient care
- Revenue by patient care payor mix

**Expenses attributable to coronavirus:**

- General and administrative (G&A) expenses
- Healthcare-related expenses

For recipients of over $500,000 in aggregate PRF payments, providers must provide a further expense breakdown that includes:

- Mortgage/rent
- Personnel
- Utilities
- Supplies
- Equipment
- …and other high-level expense categories

**Basic organization information:**

- Taxpayer Identification Number
- National Provider Identifier *(optional)*
- Fiscal year end date
- Federal tax classification

**Other assistance received in 2020:**

- Paycheck Protection Program
- FEMA CARES Act
- CARES Act Testing
- Local/State/Tribal Government assistance
- Business insurance
- Other assistance

**Non-financial information:**

- Employees (i.e. total, re-hires)
- Patients (i.e. visits, admissions)
- Facility (i.e. staffed beds)

Please visit the PRF website for complete reporting guidance and details, as well as FAQs and other program information

https://www.hhs.gov/sites/default/files/reporting-requirements-summary.pdf

**General and Targeted Distribution**

**Post-Payment Notice of Reporting Requirements**

**September 19, 2020**

## Post-Payment Reporting Requirements

### Purpose

The purpose of this notice is to inform Provider Relief Fund (PRF) recipients who received one or more payments exceeding $10,000 in the aggregate of the data elements that they will be required to report as part of the post-payment reporting process. This is a supporting document to the July 20, 2020 Post-Payment Notice of Reporting Requirements.

Please note that these reporting requirements do not apply to the Nursing Home Infection Control distribution or the Rural Health Clinic Testing distribution. Separate reporting requirements will be announced for these distributions. These reporting requirements also do not apply to reimbursement from the Health Resources and Services Administration (HRSA) Uninsured Program. Additional reporting may be announced in the future for these payments.

### Overview

The Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) and the Paycheck Protection Program (PPP) and Health Care Enhancement Act (P.L. 116-139), appropriated funds to reimburse eligible healthcare providers for healthcare related expenses or lost revenues attributable to the coronavirus. These funds were distributed by HRSA through the CARES Act PRF program. Recipients of these funds agreed to Terms & Conditions, which require compliance with reporting requirements as specified by the Secretary of Health and Human Services in program instructions.

On July 20, 2020, HRSA released a public notice informing PRF recipients of the timing of future reporting requirements for those providers that accepted one or more payments exceeding $10,000 in the aggregate. The reporting notice advised recipients that additional details regarding data elements would be provided by August 17, 2020; HRSA subsequently revised this date to allow for additional time to consider provider feedback.

This notice informs recipients of the categories of data elements that recipients must submit for calendar years 2019 and 2020 as part of the reporting process. HRSA plans to offer Question & Answer Sessions via webinar in advance of the reporting deadline, and as needed, HRSA will also issue Frequently Asked Questions to aid in the reporting process.

### Reporting Guidance on Use of Funds

Recipients will report their use of PRF payments by submitting the following information:

1. Healthcare related expenses attributable to coronavirus that another source has not reimbursed and is not obligated to reimburse, which may include General and Administrative (G&A) or healthcare related operating expenses (further defined within the data elements section below).
2. PRF payment amounts not fully expended on healthcare related expenses attributable to coronavirus are then applied to lost revenues, represented as a negative change in year-over-year net patient care operating income (i.e., patient care revenue less patient care related expenses for the Reporting Entity, defined below, that received funding), net of the healthcare related expenses attributable to coronavirus calculated under step 1. Recipients may apply PRF payments toward lost revenue, up to the amount of their 2019 net gain from healthcare related sources. Recipients that reported negative net operating income from patient care in 2019 may apply PRF amounts to lost revenues up to a net zero gain/loss in 2020.



If recipients do not expend PRF funds in full by the end of calendar year 2020, they will have an additional six months in which to use remaining amounts toward expenses attributable to coronavirus but not reimbursed by other sources, or to apply toward lost revenues in an amount not to exceed the 2019 net gain. For example, the reporting period January – June 2021 will be compared to the same period in 2019.

### Data Elements

The following data elements in the PRF Reporting System will allow HRSA and the U.S. Department of Health and Human Services (HHS) to assess whether recipients properly used PRF payments, consistent with the Terms & Conditions associated with payment.

**1. Demographic Information**

a. **Reporting Entity:** Entity (at the Tax Identification Number (TIN) level) that received one or more PRF payments. If the entity has subsidiary TINs that received General Distribution payments, regardless of whether the subsidiary or Reporting Entity formally attested to accepting the payment within the provider portal, the Reporting Entity may report on and direct the use of General Distribution payments. However, if a subsidiary TIN received a Targeted Distribution payment,[1] the subsidiary TIN must report use of funds for that payment, and the parent organization that reports on a subsidiary's General Distribution payment cannot also report on (or transfer) the subsidiary's Targeted Distribution payment.

b. **Tax Identification Number (TIN):** Reporting Entity's primary TIN associated with the provider who received the funds and accepted the PRF payment during attestation (the recipient). For some recipients, this may be analogous to Social Security number (SSN) or Employer Identification Number (EIN).

c. **National Provider Identifier (NPI)** ***[optional]*****:** The unique 10-digit numeric identifier for covered healthcare providers.

d. **Fiscal Year-End Date:** Month in which the recipient reports its fiscal year-end financial results.

e. **Federal Tax Classification:** Designated business type associated with the Reporting Entity's primary TIN used for filing taxes. Classifications include Sole Proprietor, Limited Liability Corporation (LLC), Partnership, C Corporation, S Corporation, Trust or Estate, or a tax-exempt organization or entity.

**2. Expenses Attributable to Coronavirus Not Reimbursed by Other Sources (2020 only)**

Expenses attributable to coronavirus may be incurred both in treating confirmed or suspected cases of coronavirus, preparing for possible or actual coronavirus cases, maintaining healthcare delivery capacity, etc.

[1] Rural Distribution; COVID-19 High-Impact Distributions; Skilled Nursing Facilities Allocation and Distribution; Allocation for Tribal Hospitals, Clinics, and Urban Health Centers; Safety Net Hospitals Distributions; Certain Children's Hospitals Distribution Link to Targeted Distribution Timeline



https://www.hhs.gov/sites/default/files/post-payment-notice-of-reporting-requirements.pdf

In this section, Reporting Entities that received **between $10,000 and $499,999 in aggregated PRF payments** are required to report healthcare related expenses attributable to coronavirus, net of other reimbursed sources (e.g., payments received from insurance and/or patients, and amounts received from federal, state or local governments, etc.) in two aggregated categories: (1) G&A expenses and (2) other healthcare related expenses. These are the actual expenses incurred over and above what has been reimbursed by other sources.

Recipients who received **$500,000 or more in PRF payments** are required to report healthcare related expenses attributable to coronavirus, net of other reimbursed sources, and they must do so by reporting more detailed information within the two categories of G&A expenses and other healthcare related expenses, according to the following sub-categories of expenses:

**General and Administrative Expenses Attributable to Coronavirus[2]**
The actual G&A expenses incurred over and above what has been reimbursed by other sources.

a. **Mortgage/Rent:** Monthly payments related to mortgage or rent for a facility.
b. **Insurance:** Premiums paid for property, malpractice, business insurance, or other insurance relevant to operations.
c. **Personnel:** Workforce-related actual expenses paid to prevent, prepare for, or respond to the coronavirus during the reporting period, such as workforce training, staffing, temporary employee or contractor payroll, overhead employees, or security personnel. [3]
d. **Fringe Benefits:** Extra benefits supplementing an employee's salary, which may include hazard pay, travel reimbursement, employee health insurance, etc.
e. **Lease Payments:** new equipment or software lease.
f. **Utilities/Operations:** Lighting, cooling/ventilation, cleaning, or additional third party vendor services not included in "Personnel".
g. **Other General and Administrative Expenses:** Costs not captured above that are generally considered part of overhead structure.

**Healthcare Related Expenses Attributable to Coronavirus[2]**
The actual healthcare related expenses incurred over and above what has been reimbursed by other sources.

a. **Supplies:** Expenses paid for purchase of supplies used to prevent, prepare for, or respond to the coronavirus during the reporting period. Such items could include: personal protective equipment (PPE), hand sanitizer, or supplies for patient screening.
b. **Equipment:** Expenses paid for purchase of equipment used to prevent, prepare for, or respond to the coronavirus during the reporting period, such as ventilators, updates to HVAC systems, etc.
c. **Information Technology (IT):** Expenses paid for IT or interoperability systems to expand or preserve care delivery during the reporting period, such as electronic health record licensing fees, telehealth infrastructure, increased bandwidth, and teleworking to support remote workforce.
d. **Facilities:** Expenses paid for facility-related costs used to prevent, prepare for, or respond to the coronavirus during the reporting period, such as lease or purchase of permanent or temporary structures, or to modify facilities to accommodate patient treatment practices revised due to coronavirus.
e. **Other Healthcare Related Expenses:** Any other actual expenses, not previously captured above, that were paid to prevent, prepare for, or respond to the coronavirus.

**3. Lost Revenues Attributable to Coronavirus**

In this section Reporting Entities provide information used to calculate lost revenues attributable to coronavirus, represented as a negative change in year-over-year net operating income from patient care related sources. Once revenue information is provided, cost/expense impacts will be calculated based upon a calendar year comparison of 2019 to 2020 healthcare expenses to determine net operating income. Revenues and expenses in this section include all lost patient care revenues and patient care cost/expense impacts.

**Total Revenue[4]/Net Charges[4] from Patient Care[5] Related Sources (2019 and 2020):** Revenue/net charges from patient care (prior to netting with expenses) for the calendar years 2019 and 2020. Calendar year actual revenues will be entered by quarter (e.g., January–March 2019, April–June 2019, etc.).

***Note:*** Reporting Entities with unused funds after December 31, 2020, must submit a second and final report no later than July 31, 2021 that includes patient care related revenue amounts earned January 1–June 30, 2021.

**Revenue from Patient Care Payer Mix (2019 and 2020)**
a. **Medicare Part A+B:** The actual revenues/net charges received from Medicare Part A+B for patient care for the calendar year.
b. **Medicare Part C:** The actual revenues/net charges received from Medicare Part C for patient care for the calendar year.
c. **Medicaid:** The actual revenues/net charges received from Medicaid/Children's Health Insurance Program (CHIP) for patient care for the calendar year.
d. **Commercial Insurance:** The actual revenues/net charges from commercial payers for patient care for the calendar year.
e. **Self-Pay (No Insurance):** The actual revenues/net charges received from self-pay patients, including the uninsured or individuals without insurance who bear the burden of paying for healthcare themselves, for the calendar year.
f. **Other:** The actual gross revenues/net charges from other sources received for patient care services and not included in the list above for the calendar year.

**Other Assistance Received (2020)**

[2] As noted above, expenses attributable to coronavirus may be incurred in both direct patient care overhead activities related to treatment of confirmed or suspected cases of coronavirus, preparing for possible or actual coronavirus cases, maintaining healthcare delivery capacity which includes operating and maintaining facilities, etc.

[3] The Terms and Conditions associated with each PRF payment do not permit recipients to use PRF money to pay any salary at a rate in excess of Executive Level II which is currently set at $197,300. For the purposes of the salary limitation, the direct salary is exclusive of fringe benefits and indirect costs. The limitation only applies to the rate of pay charged to PRF payments and other HHS awards. An organization receiving PRF may pay an individual's salary amount in excess of the salary cap with non-federal funds.

[4] Net of uncollectible patient service revenue recognized as bad debts.

[5] "Patient care" means health care, services and supports, as provided in a medical setting, at home, or in the community. It should not include: 1) insurance, retail, or real estate values (except for SNFs, where that is allowable as a patient care cost), or 2) grants or tuition.

Important – All Expenses are eligible or just incremental?

3

https://www.hhs.gov/sites/default/files/post-payment-notice-of-reporting-requirements.pdf

a. **Treasury, Small Business Administration (SBA) and the CARES Act/Paycheck Protection Program (PPP):** Total amount of coronavirus-related relief received from Treasury, SBA, and CARES Act/PPP by the Reporting Entity as of the reporting period end date.
b. **FEMA CARES Act:** Total amount of coronavirus-related relief received from FEMA by the Reporting Entity as of the reporting period end date.
c. **CARES Act Testing:** Total amount of relief received from HHS for coronavirus testing-related activities.
d. **Local, State, and Tribal Government Assistance:** Total amount of coronavirus-related relief received from other Local, State, or Tribal government sources by the recipient and its included subsidiaries as of the reporting period end date.
e. **Business Insurance:** Paid claims against insurance policies intended to cover losses related to various types of healthcare business interruption as of the reporting period end date.
f. **Other Assistance:** Total amount of other federal and/or coronavirus-related assistance received by the recipient and the other TINs included in its report as of the reporting period end date.

**Total Calendar Year Expenses for 2019 and 2020**, in the following categories, with quarterly break down (e.g., January–March 2019, April–June 2019, etc.):

**General and Administrative Expenses (2019 and 2020)**
G&A expenses may include items such as monthly payments related to mortgage or rent for facility where reporting entity provides patient care services, other monthly finance charges for real property and/or property taxes, insurance premiums for property, employee health insurance, or malpractice insurance, overhead salaries, healthcare and contractor salaries, fringe benefits, lease payments, lighting, cooling/ventilation, cleaning, vendor services purchased from third party vendors, consulting support, legal fees, audit and accounting services, food preparation and supplies, logistics and transport or other costs not captured above, such as debt financing, for the relevant calendar year.[6]

**Healthcare Related Expenses (2019 and 2020)**
Healthcare related expenses may include items such as supplies, equipment, IT, facilities, employees, and other healthcare related costs/expenses for relevant calendar year.

4. **Additional non-financial data will also be collected (per quarter):**

**Facility, Staffing and Patient Care**
a. **Personnel Metrics:** Total personnel by labor category (full-time, part-time, contract, other: recipient must define), total re-hires, total new hires, total personnel separations by labor category.
b. **Patient Metrics:** Total number of patient visits (in-person or telehealth), total number of patients admitted, total number of resident patients.
c. **Facility Metrics:** Total available staffed beds for medical/surgical, critical care, and other beds.

**Change in Ownership**
Reporting Entities that acquired or divested of related subsidiaries indicate the change in ownership, whether the related TIN was acquired or divested, providing the following data points for each relevant TIN:
a. Date of acquisition/divestiture
b. TIN(s) included in the acquisition/divestiture
c. Percent of ownership for acquisition/divestiture
d. Did/do you hold a controlling interest in this entity? (Y/N)
***Note:*** If the Reporting Entity itself was acquired or divested, it should self-report the change in ownership to HRSA.

**Single Audit Status**
Reporting Entities that expended $750,000 or more in aggregated federal financial assistance in 2020 (including PRF payments and other federal financial assistance) are subject to Single Audit requirements, as set forth in the regulations at 45 CFR 75.501. Recipients must indicate if they are subject to Single Audit requirements in 2020, and if yes, whether the auditors selected PRF payments to be within the scope of the Single Audit (if known at the time the Reporting Entity submits report).

[6] ***Note:*** The Terms and Conditions associated with each PRF payment do not permit recipients to use PRF money to pay any salary at a rate in excess of Executive Level II which is currently set at $197,300. For the purposes of the salary limitation, the direct salary is exclusive of fringe benefits and indirect costs. The limitation only applies to the rate of pay charged to PRF payments and other HHS awards. An organization receiving PRF may pay an individual's salary amount in excess of the salary cap with non-federal funds.



https://www.hhs.gov/sites/default/files/post-payment-notice-of-reporting-requirements.pdf

# Expenses not paid by other sources is Step 1 determining if you get to keep the Provider Relief Funds

What information is expected to be provided to comply with reporting requirements?

Step 1

Recipients will report their use of PRF payments by submitting detail of expenses attributable to coronavirus that other sources have not reimbursed or are not obligated to reimburse. These expenses may include

- General and administrative (G&A) expenses
- Healthcare-related expenses operating expenses

Step 2

PRF payments not fully expended in Step 1 can be applied to lost revenues, net of the expenses calculated in Step 1

- If the entity reported a net gain from patient care in 2019, the entity can apply PRF payments toward lost revenue in 2020 up to the amount of the 2019 net gain
- If the entity reported a net loss from patient care in 2019, the entity can apply PRF payments to lost revenue up to a net zero gain/loss in 2020

## What are the data elements needed to comply with reporting requirements related to lost revenues?

- Total revenue from patient care net of uncollectible amounts reported by quarter for 2019 and 2020
- Revenue from patient care payer mix for 2019 and 2020
- Total expenses, net of those calculated as attributable to coronavirus, broken down to subcategories G&A and Healthcare-related by quarter for 2019 and 2020
- Other assistance received in 2020 (e.g., Paycheck Protection Program, local or state assistance, FEMA)

## Required non-financial data elements:

- Facility, staffing and patient care by quarter
  - Personnel metrics: Total personnel by labor category (full-time, part-time, contract, other: recipient must define), total re-hires, total new hires, total personnel separations by labor category.
  - Patient metrics: Total number of patient visits (in-person or telehealth), total number of patients admitted, total number of resident patients.
  - Facility metrics: Total available staffed beds for medical/surgical, critical care and other beds.
- Change in ownership details
- Single audit status

# Key Dates for Provider Relief Funding Reporting

- January 15, 2021: Portal opens for providers
- February 15, 2021: first reporting deadline for all providers on funds spent during 2020
- **June 30, 2021: All Funds must be expended by this date.**
- July 31, 2021: final reporting deadline for providers who did not fully expend PRF funds prior to December 31, 2020. Spending from January 1, 2021 to June 30, 2021.

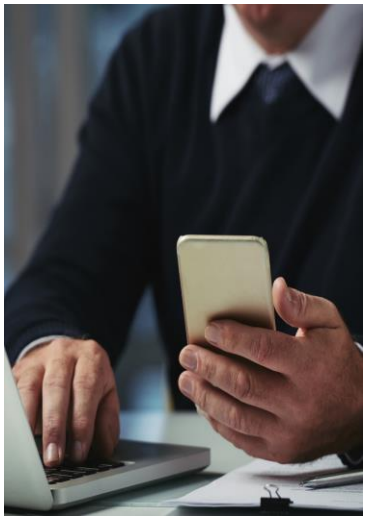
2021

| 2021 | S | M | T | W | T | F | S | S | M | T | W | T | F | S | S | M | T | W | T | F | S | S | M | T | W | T | F | S | S | M | T | W | T | F | S | S | M |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| JAN | | | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | | |
| FEB | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | | | | | | | | | |
| MAR | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | | | | | |
| APR | | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | | | | |
| MAY | | | | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | |
| JUN | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | | | | | | |
| JUL | | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | | | |
| AUG | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | | | | | | | |
| SEP | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | | | | | |
| OCT | | | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | | |
| NOV | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | | | | | | | |
| DEC | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | | | | |

**Portal opens for providers on January 15, 2021 to report funds used in 2020.**

## JANUARY 2021

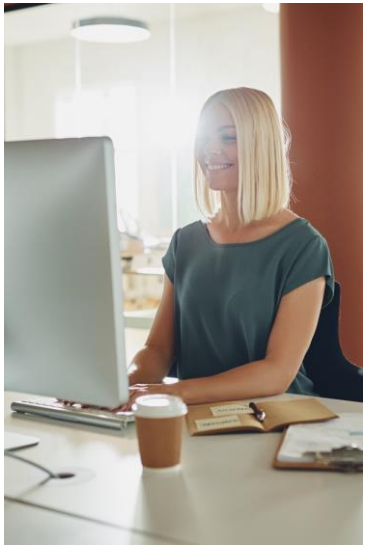
| SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|
| 27 | 28 | 29 | 30 | 31 | 1 | 2 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 HHS Portal Opens | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 | 1 | 2 | 3 | 4 | 5 | 6 |

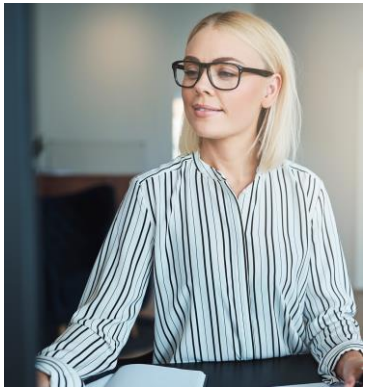


# The first reporting deadline for all providers for use of funds during 2020 is February 15, 2021

## FEBRUARY 2021

| SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|
| 31 | 1 | 2 | 3 | 4 | 5 | 6 |
| 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 14 | 15 Reporting Deadline | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 1 | 2 | 3 | 4 | 5 | 6 |
| 7 | 8 | 9 | 10 | 11 | 12 | 13 |

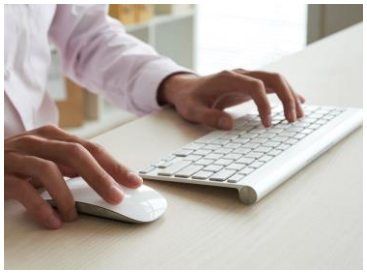


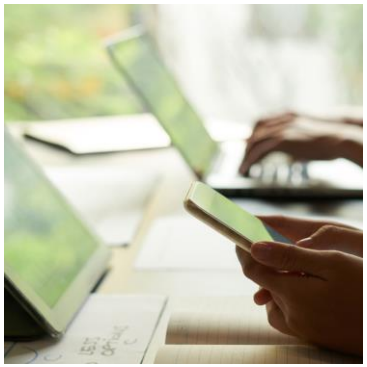


The final reporting deadline for providers who did not fully expend PRF funds prior to December 31, 2020 (Expended funds from January 1, 2021 to June 30, 2021) is July 31, 2021

## JULY 2021

| SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|
| 27 | 28 | 29 | 30 Funds must be spent by June 30, 2021 | 1 | 2 | 3 |
| 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | 31 Final Reporting Deadline |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |





# Provider Relief Fund Reporting

## Demographic Information

| Reporting Entity | Tax Identification Number (TIN) |
|---|---|
| | |
| National Provider Identifier (NPI) *[Optional]* | Fiscal Year-End Date |
| | |

| Federal Tax Classification | |
|---|---|
| Sole Proprietor | ☐ |
| Limited Liability Corporation (LLC) | ☐ |
| Partnership | ☐ |
| C-Corporation | ☐ |
| S-Corporation | ☐ |
| Trust or Estate | ☐ |
| Tax Exempt Organization/Entity | ☐ |

## Expenses Attributable to Coronavirus Not Reimbursed by Other Sources (2020 Only)

| How much did you receive in aggregated PRF Payments? | |
|---|---|
| Between $10,000 and $499,999 | ☐ |
| $500,000 or more | ☐ |

If between $10,000 and $499,999 continue to "Aggregated Expenses" sheet. If $500,000 or more, continue to "Detailed Expenses" sheet.

2020 Provider Relief Funds Questionnaire

# Step 1 for RHCs receiving less than $500,000 in aggregated PRF Payments

## Aggregated Expenses

**Please Provide Expense Information for both 2019 and 2020 broken down by quarter. Only complete this page if you received between $10,000 and $499,999 in aggregated PRF Payments. If you received $500,000 or more, please complete the "Detailed Expenses" page instead.**

| General and Administrative Expenses Attributable to Coronavirus | | | | |
|---|---|---|---|---|
| 2019 | | | | |
| Jan-Mar 2019 | Apr-June 2019 | July-Sept 2019 | Oct-Dec 2019 | Total |
| | | | | $ - |
| 2020 | | | | |
| Jan-Mar 2020 | Apr-June 2020 | July-Sept 2020 | Oct-Dec 2020 | Total |
| | | | | $ - |

| Healthcare Related Expenses Atributable to Coronavirus | | | | |
|---|---|---|---|---|
| 2019 | | | | |
| Jan-Mar 2019 | Apr-June 2019 | July-Sept 2019 | Oct-Dec 2019 | Total |
| | | | | $ - |
| 2020 | | | | |
| Jan-Mar 2020 | Apr-June 2020 | July-Sept 2020 | Oct-Dec 2020 | Total |
| | | | | $ - |

Question? Wouldn't 2019 be Zero?

Remove Salaries above $197,300 from these numbers and report expense net of other funding sources (ie. PPP)

# Crosswalk from RHC Independent Cost Report to Provider Relief Funding Report

| Cost Report Description | Cost Report Line Number | Provider Relief Funding Reporting |
|---|---|---|
| Healthcare Staff Costs… | 1-39 | Medical |
| Facility and Administrative Costs | 40-74 | G & A |
| Other than RHC or Non-Reimbursable Costs | 76-90 | Most likely Medical – Could be G and A |

RHCs can only claim up to $197,300 of salary per Full-time FTE for Provider Relief Funding Purposes

**What is the definition of Executive Level II pay level, as referenced in the Terms and Conditions?** ***(Added 5/29/2020)***

The Terms and Conditions state that none of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other mechanism, at a rate in excess of Executive Level II. The salary limitation is based upon the Executive Level II of the Federal Executive Pay Scale. Effective January 5, 2020, the Executive Level II salary is $197,300. For the purposes of the salary limitation, the direct salary is exclusive of fringe benefits and indirect costs. The limitation only applies to the rate of pay charged to Provider Relief Fund payments and other HHS awards. An organization receiving Provider Relief Fund payments may pay an individual's salary amount in excess of the salary cap with non-federal funds.

# Step 1 for RHCs receiving more than $500,000 in aggregated PRF Payments

## Detailed Expenses

**Please Provide Expense Information for both 2019 and 2020 for the listed expense areas broken down by quarter. Only complete this page if you received more than $500,000 in aggregated PRF payments. If you received between $10,000 and $499,999, please complete the "Aggregated Expenses" page instead.**

## 2019

| General and Administrative Expenses Attributable to Coronavirus | | Jan-Mar | Apr-June | July-Sept | Oct-Dec |
|---|---|---|---|---|---|
| Mortgage/Rent | $ - | | | | |
| Insurance | $ - | | | | |
| Personnel | $ - | | | | |
| Fringe Benefits | $ - | | | | |
| Lease Payments | $ - | | | | |
| Utilities/Operations | $ - | | | | |
| Other General and Administrative Expenses | $ - | | | | |
| | | | | | |
| **Healthcare Related Expenses Atributable to Coronavirus** | | **Jan-Mar** | **Apr-June** | **July-Sept** | **Oct-Dec** |
| Supplies | $ - | | | | |
| Equipment | $ - | | | | |
| Information Technology (IT) | $ - | | | | |
| Facilities | $ - | | | | |
| Other Healthcare Related Expenses | $ - | | | | |

## 2020

| General and Administrative Expenses Attributable to Coronavirus | | Jan-Mar | Apr-June | July-Sept | Oct-Dec |
|---|---|---|---|---|---|
| Mortgage/Rent | $ - | | | | |
| Insurance | $ - | | | | |
| Personnel | $ - | | | | |
| Fringe Benefits | $ - | | | | |
| Lease Payments | $ - | | | | |
| Utilities/Operations | $ - | | | | |
| Other General and Administrative Expenses | $ - | | | | |
| | | | | | |
| **Healthcare Related Expenses Atributable to Coronavirus** | | **Jan-Mar** | **Apr-June** | **July-Sept** | **Oct-Dec** |
| Supplies | $ - | | | | |
| Equipment | $ - | | | | |
| Information Technology (IT) | $ - | | | | |
| Facilities | $ - | | | | |
| Other Healthcare Related Expenses | $ - | | | | |

# Step 2: Lost Revenue – Net Patient Revenues for 2019 and 2020

| Please include the actual revenues/net charges received from each listed payer for calendar year 2019 and calendar year 2020 | | |
|---|---|---|
| | 2019 | 2020 |
| Medicare Part A & B | | |
| Medicare Part C | | |
| Medicaid | | |
| Commercial Insurance | | |
| Self-Pay (No Insurance) | | |
| Other | | |

**Please provide net patient revenues for 2019 and 2020 broken down by quarter. This information will be used to determine lost revenues due to coronavirus.**

| Net Patient Revenues for 2019 and 2020 Broken Down by Quarter | | | | |
|---|---|---|---|---|
| 2019 | | | | |
| Jan-Mar 2019 | Apr-June 2019 | July-Sept 2019 | Oct-Dec 2019 | Total |
| | | | | $ - |
| 2020 | | | | |
| Jan-Mar 2020 | Apr-June 2020 | July-Sept 2020 | Oct-Dec 2020 | Total |
| | | | | $ - |

# Additional Information Required including Other Funding Sources

| Please provide the following information regarding the total amount of Coronavirus related assistance received from each of the following categories. | |
|---|---|
| **Coronavirus Related Assistance** | **2020** |
| Treasury | |
| SBA | |
| CARES Act - PPP | |
| FEMA CARES Act | |
| CARES Act Testing | |
| Local, State, and Tribal Government Assistance | |
| Business Insurance | |
| Other Assistance | |

**Please provide the requested non-financial information below**

| **Personnel** | Jan-Mar | Apr-June | July-Sept | Oct-Dec | Total |
|---|---|---|---|---|---|
| Full Time | | | | | - |
| Part Time | | | | | - |
| Contract | | | | | - |
| Other (must define) | | | | | - |
| **Patients** | Jan-Mar | Apr-June | July-Sept | Oct-Dec | Total |
| Total Visits | - | - | - | - | - |
| Telehealth | | | | | - |
| In Person | | | | | - |
| Total Patients Admitted | | | | | - |
| Total Resident Patients | | | | | - |
| **Facility** | Jan-Mar | Apr-June | July-Sept | Oct-Dec | Total |
| Medical/Surgical Beds | | | | | - |
| Critical Care Beds | | | | | - |
| Other Beds | | | | | - |

Did the reporting entity expend $750,000 or more in aggregated federal financial assistance in 2020? If so you are subject to Single Audit Requirements?

| | |
|---|---|
| Yes | ☐ |
| No | ☐ |

# Report any Change of Ownership

| Please provide requested information regarding Changes in Ownership for 2020. Note: If the reporting entity itself was acquired or divested, it should self report the change in ownership to HRSA. | | | | | | |
|---|---|---|---|---|---|---|
| Did a change in ownership occur? | | | | | | |
| | Yes | ☐ | | | | |
| | No | ☐ | | | | |
| | *If No, do not complete the rest of this page* | | | | | |
| Was the related TIN aquired or divested? | | | | | | |
| | Acquired | ☐ | | | | |
| | Divested | ☐ | | | | |
| What was the date of acquisition/divesture? | | | | | | |
| Please list the TIN(s) included in the acquisition/divesture. | | | | | | |
| 1) | | | | | | |
| 2) | | | | | | |
| 3) | | | | | | |
| 4) | | | | | | |
| 5) | | | | | | |
| | | | | | | |
| What is the % of ownership for the acquisition/divesture? | | | | | | |
| Did/do you hold a controlling interest in this entity? | | | | | | |
| | Yes | ☐ | | | | |
| | No | ☐ | | | | |

# Provider Relief Funds are Taxable

## Provider Relief Funds are Taxable

Yes, Provider Relief Funds are includable as gross income for healthcare providers. See

https://www.irs.gov/newsroom/frequently-asked-questions-about-taxation-of-provider-relief-payments

### Q1: May a health care provider that receives a payment from the Provider Relief Fund exclude this payment from gross income as a qualified disaster relief payment under section 139 of the Internal Revenue Code (Code)?

A: No. A payment to a business, even if the business is a sole proprietorship, does not qualify as a qualified disaster relief payment under section 139. The payment from the Provider Relief Fund is includible in gross income under section 61 of the Code.

**Are Provider Relief Fund payments to commercial (for-profit) organizations subject to Single Audit in conformance with the requirements under 45 CFR 75 Subpart F? *(Modified 7/30/2020)***

Commercial organizations that receive $750,000 or more in annual awards have two options under 45 CFR 75.216(d) and 75.501(i): 1) a financial related audit of the award or awards conducted in accordance with Government Auditing Standards; or 2) an audit in conformance with the requirements of 45 CFR 75 Subpart F.

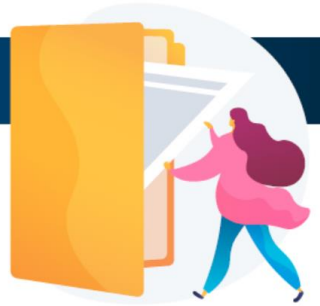
Provider Relief Fund General and Targeted Distribution payments (CFDA 93.498) and Uninsured Testing and Treatment reimbursement payments (CFDA 93.461) must be included in determining whether an audit in accordance in accordance with 45 CFR Subpart F is required (i.e., annual *total awards received* are $750,000 or more).

Audit reports of commercial organizations must be submitted directly to the U.S. Department of Health and Human Services, Audit Resolution Division at AuditResolution@hhs.gov.

# Provider Relief Fund Reporting and Audit Requirements

The CARES Act restricts the use of Provider Relief Fund (PRF) payments to healthcare expenses or lost revenues attributable to coronavirus. Given PRF reporting and audit requirements, you must document and be prepared to defend every use of PRF distributions, despite limited guidance on eligible healthcare expenses or lost revenue.

## Reporting Requirements



Any entity receiving $10,000 or more in PRF distributions must report on funds expended through the end of 2020 by February 15, 2021, to HHS. You may continue to expend funds through June 30, 2021. You must also report on all 2021 expenditures by July 31, 2021 and return any unused funds.

## Considerations

1. Have you established a process to monitor and interpret HHS updates and reporting guidance (e.g., timeline, format)?
2. Did you implement accounting processes to identify and segregate the use of PRF funds within your organization?
3. Have you received other funds for healthcare expenses or lost revenue attributable to coronavirus (e.g., Paycheck Protection Program, FEMA, insurance)?
4. Have you established and tested internal controls to ensure compliance with tracking processes?
5. Have you formalized and documented your criteria for calculating healthcare expenses and lost revenue attributable to coronavirus?
6. Do you understand how to account for the distributions, including when to recognize as revenue and how to treat unused distributions?
7. Do you understand the impact on your fiscal year-end accounting? Your Medicare Cost Report?
8. For tax-exempt healthcare providers, are any relief distributions attributable to an unrelated trade or business? Have you considered tax consequences?
9. For taxable healthcare providers, have you considered when unused relief funds may need to be returned? Also, are there any IRS timing and taxability considerations related to year of receipt vs. return in subsequent year?
10. Are you considering allocating different distributions among legal entities?

https://www.pyapc.com/wp-content/uploads/2020/09/PRF-Responsibilities-Infographic-PYA.pdf

Provider Relief Funds Webinar on October 8, 2020 at 3:00 PM Eastern

# CLA Webinar: Provider Relief Funds: Demystifying Recent HHS Reporting Curveballs

OCTOBER 08, 2020 3:00 PM

*Print this Article*

*The U.S. Department of Health and Human Services (HHS) recently released new post-payment reporting requirements for provider relief fund recipients. This complimentary webinar will inform heath care personnel on how provider relief funds can be used and outline the key elements that have changed from previous guidance.*

VOICE YOUR OPINION TELL YOUR FRIENDS


https://www.leadingage.org/newsroom/calendar/cla-webinar-provider-relief-funds-demystifying-recent-hhs-reporting-curveballs


## Wipfli Healthcare Connections Free 45-Minute panel and Q&A session

Tuesday, October 20, 2020 12:00 p.m. – 12:45 p.m. CST

### Unpacking guidance on the HHS Provider Relief Fund ("HHS PRF") reporting requirements

Join us for a free 45-minute Q&A session with our healthcare industry specialists. During the live event we will address your questions and provide insights on the newly released U.S. Department of Health and Human Services (HHS), Provider Relief Fund (PRF) reporting requirements.

We'll cover topics like:

- The Industry's evolving interpretations of the HHS PRF reporting requirements
- What providers need to know about the changes to the definition of "lost revenue"
- What can be reported as "additional COVID related expense"
- How to begin accumulating information to comply with the upcoming reporting requirements

Questions can be sent in advance to Wipfli-healthcare@wipfli.com or asked the day of the event through interactive chat.

REGISTER

Jeff Bramschreiber, Lead facilitator – Partner

Since 1986, Jeff Bramschreiber has worked with all types and sizes of medical practices, from sole practitioners to 200+ physician medical groups, in both urban and remote rural locations. Jeff has successfully developed strategies to improve revenue, reduce costs, and enhance the profitability of numerous medical practices.

https://www.wipfli.com/events/hc-healthcare-professionals-leading-through-change

# Thank You!!!

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