



Reporting for Provider Relief Fund (PRF)

The past few weeks have continued to be slow with very little new information on the Provider Relief Fund (PRF) reporting requirements. Four FAQs were released on 2/24/21.

We do expect information and instructions to increase quickly once the HHS Secretary is confirmed which could happen as soon as this week.

Weekly Insights

This is a good opportunity to go back and look at what information HHS has provided so far for identifying COVID-19 expenses.

As this week's FAQs emphasize COVID-19 expenses need to be reported net of reimbursement from any other source.

That means payments received from COVID-19 patients, grants, state subsidies, cost-reimbursement payments and interest received from holding PRF payments.

KEY TAKEAWAYS:

HHS expects PRF payments to be used for unreimbursed costs and that when claiming COVID-19 costs, every funding source for that cost needs to be accounted for first.

Every State makes Medicaid DSH payments under a different allocation, timeline, and eligibility requirement.

QUESTIONS? Contact us.

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With continued emphasis on reporting unreimbursed COVID-19 expenses, we recommend you spend this week reviewing your current COVID-19 expense calculations and asking the following questions:

- What funds or grants did I receive in 2020 specific to COVID-19?
- If those funds were for a specific purpose, did I include the expenses in my overall listing of COVID-19 expense?
- What did we spend, in both dollars and time, for our organization to prevent the spread of COVID-19?
- What expenses did I incur under General and Administrative expenses that I have not yet accumulated?
- What inputs to running the organization and keeping healthcare capacity open and serving COVID-19 patients have we not yet looked at?

All of these questions are important as you refine your COVID-19 expense lists and other reimbursed sources. For expenses, go through all your departments and look at how they supported COVID-19 and where their operations changed during 2020 “to prevent, prepare for and respond to Coronavirus.”

As a reminder, here are the categories that we expect you to report on for COVID-19 expenses. While we have very limited definitions, we encourage you to think through your organization’s operations in 2020 to determine what costs can be included in these categories that were used to prevent, prepare for and respond to COVID-19:

General and Administrative Expenses Attributable to COVID-19

- Mortgage/Rent
- Insurance
- Personnel
- Fringe Benefits
- Lease Payments
- Utilities/Operations
- Other General and Administrative Expenses

Healthcare Related Expenses Attributable to COVID-19

- Supplies
- Equipment
- Information Technology
- Facilities
- Other Healthcare Expenses

A final note to our Hospital clients:

One of the FAQ’s this week revolves around including Medicaid DSH payments as a source of reimbursement against your COVID-19 expenses. Every state makes Medicaid DSH payments under a different allocation, timeline, and eligibility requirement.

At this time, we recommend you see what you were paid in 2020 and what, if any, of your COVID-19 patients/expenses relate to the payments and underlying allocations.

Provider Relief Funds FAQ Updates 2.24.2021

AUDITING AND REPORTING REQUIREMENTS

The Rural Health Clinic (RHC) COVID-19 Testing Program requires that recipients report payments received separately from the payment(s) received as part of the Provider Relief Fund. How do RHCs determine whether they received payment as part of the RHC COVID-19 Testing Program? (Added 2/24/2021)

RHCs that were issued a payment with the descriptor "HHSPAYMENT" or "COVID*RuralHealthTestingPmt*HHS.GOV" on or around May 20, 2020, June 9, 2020, December 7, 2020, and/or January 20, 2021, received these payments as part of RHC COVID-19 Testing Program. HHS provided \$49,461.42 for each eligible RHC with a unique CMS Certification Number (CCN) associated with an eligible Tax Identification Number (TIN). TIN organizations must report data associated with COVID-19 testing payments on the Rural Health Clinic COVID-19 Testing Report Portal available [here](#). For additional information, please visit [HRSA's website](#). If you have additional questions please email RHCcovidreporting@narhc.org for technical assistance.

USE OF FUNDS

Are there any restrictions on how hospitals that receive Medicaid disproportionate share hospital (DSH) payments can use Provider Relief Fund General and Targeted Distribution payments? (Added 2/24/2021)

Yes. Providers may not use PRF payments to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse. Therefore, if a hospital has received Medicaid DSH payments for the uncompensated costs of furnishing inpatient and/or outpatient hospital services to Medicaid beneficiaries and to individuals with no source of third party coverage for the services, these expenses would be considered reimbursed by the Medicaid program and would not be eligible to be covered by money received from a General or Targeted Distribution payment. For more information on the calculation of the Medicaid hospital-specific DSH limit, see these [COVID-19 FAQs](#).

Provider Relief Funds FAQ Updates 2.24.2021

USE OF FUNDS

Can Reporting Entities claim the time spent by staff and director-level resources on COVID-19-specific matters, such as participating in task forces or preparing their health care organization's COVID-19 response, that they would not have otherwise spent time on in the absence of the pandemic? (Added 2/24/2021)

Time spent by staff on COVID-19-specific matters may be an allowable cost attributable to coronavirus so long as it was not reimbursed or obligated to be reimbursed by other sources. If the personnel salaries are reimbursed by any other source of funding they cannot be also reimbursed by the Provider Relief Fund. In addition, no one individual may be allocated as greater than one full-time equivalent (FTE) across all sources of funding. All costs must be tangible expenses (not opportunity costs) and must be supported by documentation. The Reporting Entity must 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 the reimbursement of costs under this award. The Recipient must promptly submit copies of such records and cost documentation upon the request of the Secretary, and the Reporting Entity agrees to fully cooperate in all audits the Secretary, Inspector General, or Pandemic Response Accountability Committee conducts to ensure compliance with these Terms and Conditions.

How does cost-based reimbursement relate to my Provider Relief Fund payment? (Modified 2/24/2021)

Recipient must follow CMS instructions for completion of cost reports available [here](#). Under cost-based reimbursement, the payer agrees to reimburse the provider for the costs incurred in providing services to the insured population. In these instances, if the full cost was reimbursed based upon this method, there is nothing eligible to report as an expense attributable to coronavirus because the expense was fully reimbursed by another source. Provider Relief Fund payments cannot be used to cover costs that are reimbursed from other sources or that other sources are obligated to reimburse. Therefore, if Medicare or Medicaid makes a payment to a provider based on the provider's cost, such payment generally is considered to fully reimburse the provider and no money from the PRF would be available. However, in cases where a ceiling is applied to the cost reimbursement and the reimbursed amount by Medicare or Medicaid does not fully cover the actual cost due to unanticipated increases in providing care attributable to coronavirus, those incremental costs that were not reimbursed are eligible for reimbursement under the Provider Relief Fund.