


Provider Relief Funds Updates

September 27, 2021



California Hospital Association

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Welcome

Robyn Thomason
Director, Education Program Development
California Hospital Association



California Hospital Association

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Questions 

Online Questions: At any time, submit your questions in the Q/A box at the bottom of your screen, press enter. We will take questions throughout the presentation.



CALIFORNIA HOSPITAL ASSOCIATION 3

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Program Overview



Chad Mulvany
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Presenters



Fred Fisher

Vice President, Service Development
Toyon Associates, Inc.

Fred Fisher has 20 years of health care finance, reimbursement and advocacy experience and is responsible for identification and delivery of millions of dollars to health care providers across the United States. Fred assists providers in adapting to the imminent changes in the health care industry. He specializes in regulatory compliance and analysis, developing client relationships, provider advocacy, costs reporting and presenting meaningful information from large data sets.

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COVID-19 CARES Provider Relief Fund Update

September 27, 2021

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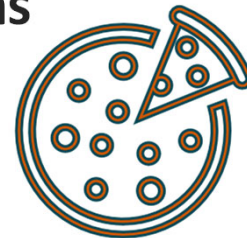
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Funding Allocations



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Hospital Funding Allocations

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Key	Allocation	Amount (Billions)
A	Phase 1 Initial Allocation (MCR FFS Claims)	30.0
B	Phase 1 Additional Allocation to 2% Net Patient Service Revenue	16.0
C	Phase 2 General (2% NPSR)	6.0
D	Phase 3 Payments – New Redetermination	24.5
E	New Phase 4 Allocation	17.0
F	Targeted High Impact (Rounds 1 and 2)	20.8
G	Targeted Safety Net (Rounds 1 and 2)	14.1
H	Targeted Rural (Rounds 1 and 2)	11.1
I	American Rescue Plan Act (ARA, Rural Funding)	8.5
J	Targeted Skilled Nursing Facility (SNF)	10.0
K	Consolidated Appropriations Act, 2021 Addtl Funding	3.0
L	Est. HRSA Uninsured Claims	7.1
M	Indian Health Service (IHS)	0.5
N = Sum A:M	Total Allocation	168.6
O	Total Attested as of September 30, 2021	(118.7)
P = N+O	Difference (Unattested Funds)	49.9
Q = E*1	Phase 4	(17.0)
R*-1	ARA Rural	(8.5)
S = P+Q+R	Difference Net of New Funding	24.4

Funds	Excl. Unattested	
T	Total Appropriated Funding	182.5
U	Operation Warp Speed Allocation	(10.0)
V = T+U	Total Appropriated Funding Net of Operation Warp Speed	172.5
W = N+V	Est. Amount of Remaining Funds	3.9

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\$182.5 billion total funds

- **\$96 billion** Public Health and Social Services Emergency Fund (*PHSSEF, a Section of the CARES Act H.R. 748*)
- **\$75 billion** Paycheck Protection Program & Health Care Enhancement Act (*PL 116-139*)
- **\$8.5 billion** American Rescue Plan Act
- **\$3 billion** Consolidated Appropriations Act, 2021
- The Consolidated Appropriations Act earmarks **85% of all remaining PRF** amounts to hospitals.



New PRF Allocations

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Phase 4 Consolidated Appropriations Act
\$17 billion

\$12.5 billion base funding for small, medium and large providers

Additional Supplement to small and medium providers

Size determined by patient care revenue after HRSA receives applications

\$4.25 billion bonus Payments for qualifying providers serving Medicare, Medicaid and CHIP (**Rural Health Grants Eligibility Analyzer**)


Bonus payments may price Medicaid and CHIP claims at the Medicare rate

Likely to qualify hospitals based on operating revenue losses

- Qs 3 and 4 of CY 2020 to Qs 3 and 4 of 2019*
- Q 1 of CY 2021 against Q1 of 2019*

*HHS recommends providers gather supporting documentation, such as most recent tax documents and financial statements for the second half of calendar year (CY) 2020 and the first quarter of CY 2021 in preparation to file the application for this funding.

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New PRF Allocations \$17 Billion Phase 4

Details	Application	Payments	HRSA Assistance	Recommendation
<ul style="list-style-type: none"> Like Phase 3 No provider will receive 100% lost revenue and expenses (phase 3 was capped at 88%) 	<ul style="list-style-type: none"> One application for Phase 4 and Rural ARP Application will open on 9/29 for four weeks (Deadline of 10/26/21 8:59 PT) Access and/or reset account at Provider Relief Fund Application and Attestation Portal TIN and TINs for any subsidiaries included in the applicant TINs IRS tax filing 	<ul style="list-style-type: none"> Not processed HRSA receives all applications HRSA aiming at starting Payments in December (then into 2022 with more complex applications) 	<ul style="list-style-type: none"> 9/30 Webinar at 12 PM PT 10/5 Webinar at 12 PM PT Register here: https://www.hrsa.gov/provider-relief/future-payments TBD technical materials to help with the application 	<ul style="list-style-type: none"> Collect and reconcile Most recent tax documents and financial statements NPSR and Operating Expenses for: <ul style="list-style-type: none"> CY 2019 Q1 Q3 Q4 CY 2020 Q3 Q4 CY 2021 Q1

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New PRF Allocations \$17 Billion Phase 4: Example Using Phase 3 Methodology

Comparison of Quarterly Data (2019 is Baseline)	Change in Patient Care Operating Revenue	Change in Patient Care Operating Expenses	Change in Gain/Loss	Change in Operating Margin
2021 Q1 vs. 2019 Q1	(\$4,400,000)	\$10,000,000	(\$14,400,000)	-13.83%
Q2 is N/A	X	X	X	X
2020 Q3 vs. 2019 Q3	(\$14,800,000)	\$4,400,000	(\$19,200,000)	-16.67%
2020 Q4 vs. 2019 Q4	(\$4,600,000)	\$0	(\$4,600,000)	-4.35%
Total	(\$23,800,000)	\$14,400,000	(\$38,200,000)	-9.95%
Loss Ratio (Per Phase 3 Method, Losses Divided By Annual NPSR). HRSA adjusts hospitals with aberrant data related to this ratio using a the mean and median loss ratios by provider type.				-7.64%

Calculation under Phase 3 Methodology

Step	Value	Note
88% of Change in Operating Revenue (Absolute Value of Losses)	\$33,616,000	88% Cap was used in Phase 3 Methodology
Greater of 2% NPSR or P/L Loss	\$33,616,000	Phase 3 allowed higher of losses and 2% NPSR. Unsure if Phase 4 will also include this evaluation
Less YTD PRF Amount	(\$8,000,000)	
Estimated Qualifying Amount	\$25,616,000	Est. Amount using Phase 3 Approach (Not adjusted for small, medium, large providers and any supplemental payments)

HRSA may flag and conduct manual review of flagged potential payments

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New PRF Allocations

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American Rescue Plan Act \$8.5 billion

Providers serving Medicaid patients in rural areas ([Rural Health Grants Eligibility Analyzer](#))
(Patient address as opposed to provider status)

Claims based: Medicaid and CHIP claims paid at the Medicare rate (time period of claims unknown)

Qualifying rural providers may also receive Phase 4 payments

HRSA aims to release ARP rural funds in the latter part of November 2021

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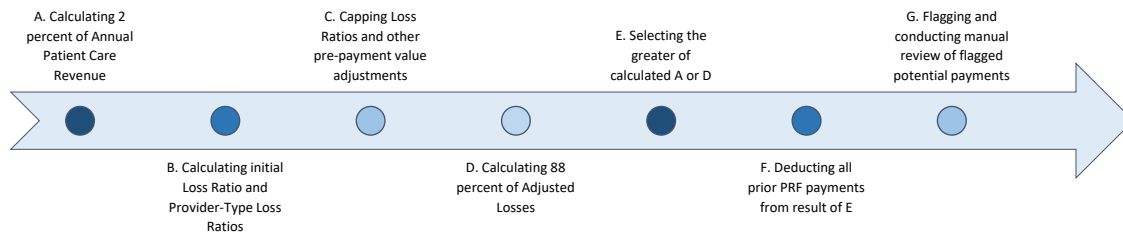


Redetermination of Phase 3 Payments

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- Providers who believe their PRF Phase 3 payment eligibility was erroneously determined will have a forthcoming opportunity to request a reconsideration.
- HHS provided a [detailed methodology](#) for providers to evaluate and further assess whether initial Phase 3 payments were correctly determined.
- HHS advises providers to email Reconsiderations@hrsa.gov if it is believed Phase 3 payment was calculated incorrectly, or to be notified when more information becomes available on the Phase 3 reconsiderations process.

HHS's detailed Phase 3 methodology includes seven steps



<https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/phase-3-methodology-overview.pdf>

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Poll 1

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Is your organization going to be re-evaluating eligibility for Phase 3 payment?

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**Reporting Period 1
Grace Period
and Recent FAQs**



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Reporting Period 1 Grace Period

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The grace period of October 1 through November 30 is new time for those that need it*

HRSA encourages providers to meet Sept 30 Deadline*

Does not change the June 30, 2021 date to use the funds related to the first reporting period

HRSA will not be inquiring why providers are utilizing the grace period*

*Per HRSA Sept. 15 Stakeholder Briefing

<https://www.youtube.com/watch?v=RAILfxWRDwU&list=PLrl7E8KABz1HzxROzzgpA49tfrb1lvFR8>


“The September 30, 2021 Reporting Period 1 deadline has not changed, however in response to challenges providers are facing given the Covid surges and natural disasters around the country a 60-day Grace Period is in place. This period allows providers to come into compliance with their PRF reporting requirements should they fail to meet the September 30, 2021 deadline.

Important Details:

- While you will be out of compliance if you do not submit your report by September 30, 2021, recoupment or other enforcement actions will not be initiated during the 60-day grace period (October 1 – November 30, 2021)...
- ...Providers should return unused funds as soon as possible after submitting their report. All unused funds must be returned no later than 30 days after the end of the grace period (December 30, 2021).”

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Reporting Period 1 Grace Period (cont.)

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Grace Period to validate PRF Reporting, especially with changing FAQs

?

- **Reporting Expenses (Modified 9/13/2021)**
 - “...The Provider Relief Fund permits reimbursement of ~~marginal increased~~ expenses related to coronavirus provided those expenses have not been reimbursed from other sources or that other sources are not obligated to reimburse...”*
- **Subsidiaries reporting on behalf of parent entity, i.e., Targeted Payments (Added 9/13/2021)**
 - “...Option iii, from the Post-Payment Notice of Reporting Requirements, provides Reporting Entities flexibility in the reconciliation of lost revenues. Lost revenues may then be applied as the reporting entity sees fit. Reporting Entities should work with their accounting firms to determine an appropriate way to allocate expenses and lost revenues...”**
- Addition information under guidance document at
 - <https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/prf-parent-subsiary-reporting-fact-sheet.pdf>

Quite a departure from the earlier FAQ guidance on marginal costs with the “\$85” example

September 30 Deadline

↔

Accurate Auditable Data into HRSA Portal

↔

Grace Period Through November 30

*How do I determine if expenses should be considered “expenses attributable to coronavirus not reimbursed by other sources?” (Modified 9/13/2021)

**How should providers that require separate reporting on behalf of parent entities and/or subsidiaries calculate lost revenue across these entities? (Added 9/13/2021)

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Is your organization transferring targeted payments whereby subsidiaries are reporting on behalf of the parent company?



What data categories are required for reporting?

Step 3: Complete and Submit Your Report

Complete and submit your report via the [Provider Relief Fund Reporting Portal](#).

Reporting Resources

Read the Guides:

- [Lost Revenues Guide](#) (PDF - 294 KB)
- [Reporting Resource Guide](#) (PDF - 60 KB)
- [PRF Portal Reporting User Guide](#) (PDF - 4.8 MB)
- [Reporting Worksheets](#) (XLS - 42 KB)

Other Resources

- [Examples of allowable expenses for Provider Relief Funds](#) (PDF - 122 KB)
- [Personnel Recruitment and Retention Fact Sheet](#) (PDF - 129 KB)
- [PRF Parent Subsidiary Reporting Fact Sheet](#) (PDF - 130 KB)
- [Independent Audit Requirement Fact Sheet](#) (PDF - 73 KB)
- [Patient Metrics Fact Sheet](#) (PDF - 40 KB)

HRSA hosted a webinar on July 8, 2021 to introduce recipients to the PRF Reporting Portal.

- [Watch the PRF Reporting Tutorial](#) #
- [Reporting Introduction](#) # (July 8)
- [Download the slides](#) (PDF - 1,516 KB)

Webinars were also held on July 14, 2021 and July 20, 2021.

- [Webinar recording \(July 14\)](#) #
- [Webinar recording \(July 20\)](#) #
- [Period of Availability and Lost Revenues slides \(July 20\)](#) (PDF - 601 KB)

Continued Release of Resources and Guidance

<https://www.hrsa.gov/provider-relief/reporting-auditing>





Poll 3

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Is your organization reporting PRF during the grace period?

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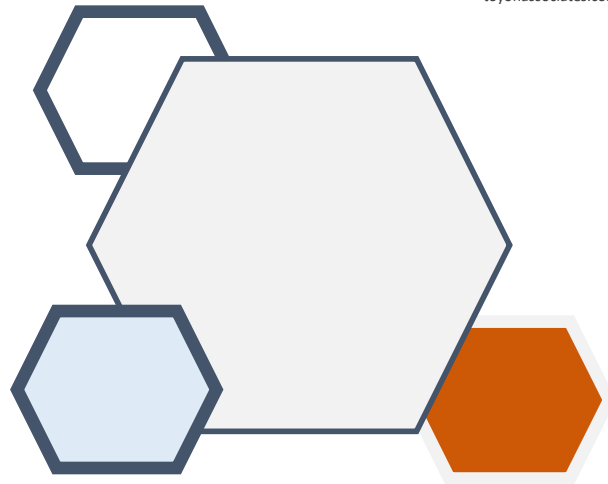
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COVID-19 Patient Care Expenses



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PRF Period of Availability

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Period of availability always begins 1/1/2020 for each reporting period

Reporting Period	Payment Received Period (Payments Exceeding \$10,000 in Aggregate Received)	Period of Availability	Reporting Time Period
Period 1	April 10, 2020 to June 30, 2020	January 1, 2020 to June 30, 2021	July 1, 2021 to September 30, 2021 *
Period 2	July 1, 2020 to December 31, 2020	January 1, 2020 to December 31, 2021	January 1, 2022 to March 31, 2022
Period 3	January 1, 2021 to June 30, 2021	January 1, 2020 to June 30, 2022	July 1, 2022 to September 30, 2022
Period 4	July 1, 2021 to December 31, 2021	January 1, 2020 to December 31, 2022	January 1, 2023 to March 31, 2023



PRFreporting.hrsa.gov



“...Recipients may use payments for eligible expenses incurred prior to receipt of those payments (i.e., pre-award costs) so long as they are to prevent, prepare for, and respond to coronavirus. Providers must follow their basis of accounting to determine expenses. Duplication of expenses and lost revenues is not permitted...”**

“...Provider Relief Fund payments may be applied to expenses and lost revenues according to the period of availability of funding. However, expenses and lost revenues may not be duplicated. Specifically, payments received may not be applied to the same expenses and lost revenues that Provider Relief Fund payments received in prior payment periods already reimbursed...”***

*Grace Period through November 30, 2021

**FAQ: In order to accept a payment, must the provider have already incurred eligible expenses and losses higher than the Provider Relief Fund payment received? (Modified 6/11/2021)

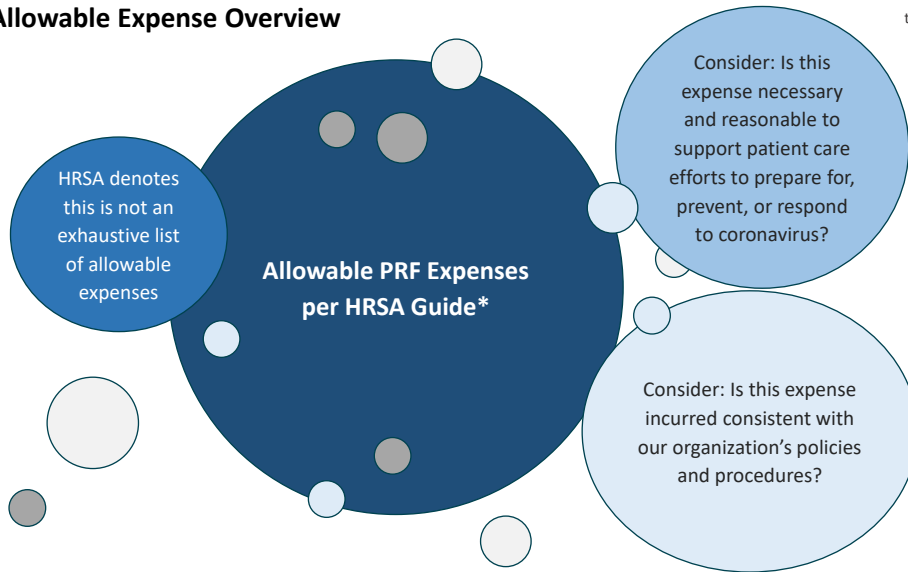
***FAQ: If a Reporting Entity has more lost revenue for a “Payment Received Period” than it received Provider Relief Fund payments for the same period, can that lost revenue be carried forward and applied against payments received during later “Payment Received Periods” and included in the lost revenues reported during later reporting periods? (Added 7/1/2021)

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PRF Allowable Expense Overview

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[*https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/allowable-expenses-one-pager.pdf](https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/allowable-expenses-one-pager.pdf)

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Personnel G&A Expenses

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June 11 Instructions

Workforce-related expenses as outlined in the Terms and Conditions such as

- personnel costs associated with administering COVID-19 testing;
- reporting COVID-19 test results to local, state, or federal governments
- hiring staff to provide patient care or administrative support
- providing additional services to residents
- workforce training and mentorship programs to improve infection control
- other personnel costs incurred for infection control.
- **Staffing, including temporary employee or contractor payroll and overhead employees, is included.**

HRSA Guide on Recruiting and Retaining Personnel*

Retention

- Incentive Pay | Retention Bonuses
- Childcare assistance
- Overtime pay
- Temporary housing
- Mental health and stress management resources
- Other fringe benefits

Recruitment

- Salaries for new or temp staff
- Employee referrals
- Employment agencies
- Hiring bonuses
- Other recruitment tools

Recruit and Retain Positions like...

- Physicians, Advanced Practice Clinicians, Nurses, etc.
- Lab techs
- Respiratory Therapists
- Administrators
- Contracted staff
- And Many Others

HRSA Guide on Allowable Expenses**


Personnel: Direct employee expenses for staff such as nurses, administrators, or support personnel

Fringe Benefits: Health insurance, childcare assistance, overtime pay, hiring bonuses, or retention payments to expand or maintain patient care capacity

PRF payments can be used for a wide variety of direct and indirect costs of recruiting and retaining personnel during the pandemic...*

*HRSA Recruitment & Retainment Guide: <https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/prf-fact-sheet-recruit-retain-personnel.pdf>
 **HRSA Allowable Expense Guide: <https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/allowable-expenses-one-pager.pdf>
 Salaries must not be paid at a rate in excess of Executive Level II; \$197,300 for 2020 and 199,300 for 2021

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Non-Personnel G&A Expenses

Towards Purpose of "Infection Control"

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Mortgage and Rent

- Mortgage for a facility
- Rent for a facility
- clinical setting | medical office building, etc.*

Insurance

- Property | Malpractice | Business Insurance
- Other Insurance Premiums

Leases

- New equipment | Software | Fleet cars
- Medical equipment that is not purchased and will be returned to its owner, so long as it is used for infection control
- Diagnostic equipment leases or clinical care software leases*

Utilities | Operations

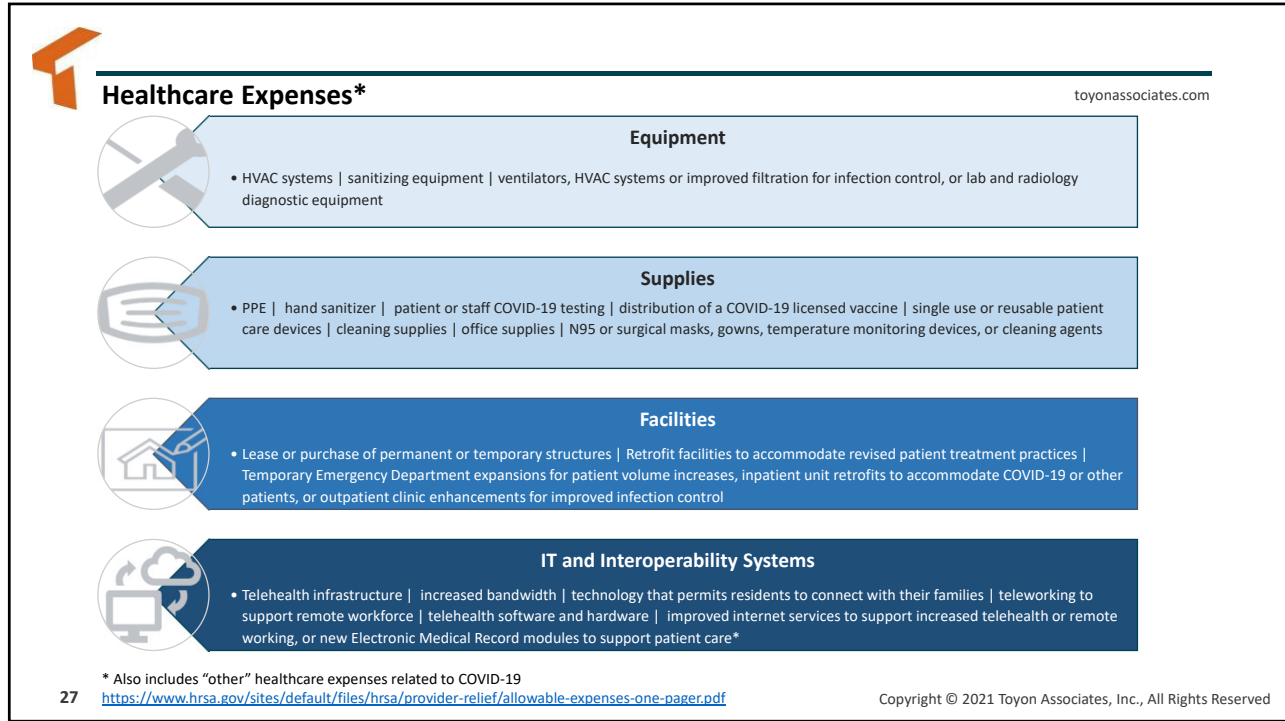
- Lighting | Cooling/ventilation | Cleaning
- Additional third-party vendor services not included as "Personnel" and whose purpose is for infection control
- HVAC services, environmental services for cleaning, or food and nutrition services*

Other Expenses





- Expenses not captured in designated HHS categories that are for infection control and generally considered part of general and administrative expenses

*<https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/allowable-expenses-one-pager.pdf>

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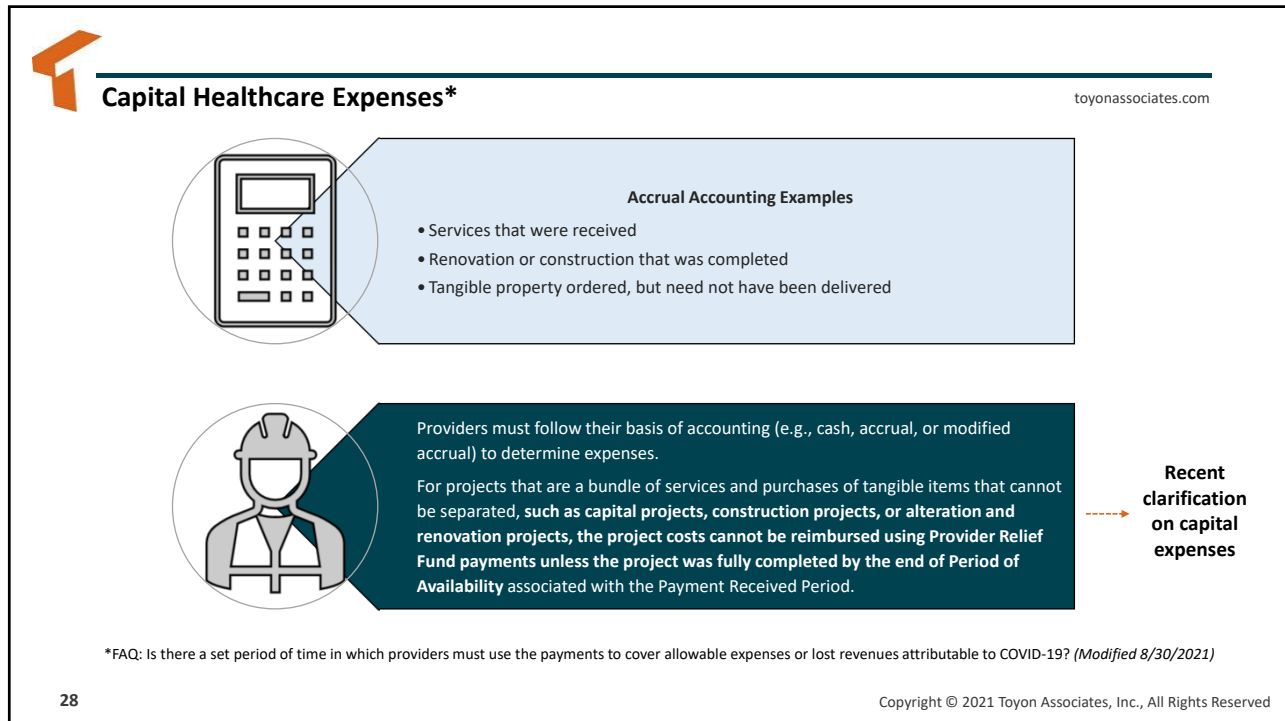


Healthcare Expenses* toyonassociates.com

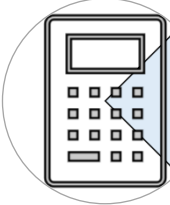

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Equipment
 - HVAC systems | sanitizing equipment | ventilators, HVAC systems or improved filtration for infection control, or lab and radiology diagnostic equipment
- 
Supplies
 - PPE | hand sanitizer | patient or staff COVID-19 testing | distribution of a COVID-19 licensed vaccine | single use or reusable patient care devices | cleaning supplies | office supplies | N95 or surgical masks, gowns, temperature monitoring devices, or cleaning agents
- 
Facilities
 - Lease or purchase of permanent or temporary structures | Retrofit facilities to accommodate revised patient treatment practices | Temporary Emergency Department expansions for patient volume increases, inpatient unit retrofits to accommodate COVID-19 or other patients, or outpatient clinic enhancements for improved infection control
- 
IT and Interoperability Systems
 - Telehealth infrastructure | increased bandwidth | technology that permits residents to connect with their families | teleworking to support remote workforce | telehealth software and hardware | improved internet services to support increased telehealth or remote working, or new Electronic Medical Record modules to support patient care*

27 * Also includes "other" healthcare expenses related to COVID-19
<https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/allowable-expenses-one-paper.pdf> Copyright © 2021 Toyon Associates, Inc., All Rights Reserved

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Capital Healthcare Expenses* toyonassociates.com

- 
Accrual Accounting Examples
 - Services that were received
 - Renovation or construction that was completed
 - Tangible property ordered, but need not have been delivered
- 

Providers must follow their basis of accounting (e.g., cash, accrual, or modified accrual) to determine expenses.

For projects that are a bundle of services and purchases of tangible items that cannot be separated, such as capital projects, construction projects, or alteration and renovation projects, the project costs cannot be reimbursed using Provider Relief Fund payments unless the project was fully completed by the end of Period of Availability associated with the Payment Received Period.

Recent clarification on capital expenses

*FAQ: Is there a set period of time in which providers must use the payments to cover allowable expenses or lost revenues attributable to COVID-19? (Modified 8/30/2021)

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OMB Compliance Supplement: 2 CFR Part 200 Appendix XI

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Department of Health and Human Services
 Provider Relief Fund
 Assistance Listing
 93.498

- Auditors should consider delaying the commencement of the compliance audit of the PRF program until recipients have completed the PRF report.
- **OMB notes the auditor is not responsible for determining the reasonableness of the alternative method described in the provider's narrative.**

- Audit objective to determine whether a provider billed out-of-network patients with a presumptive or actual case of COVID-19, for out-of-pocket expenses in an amount greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network provider.

- Do not report HRSA charges on Worksheet S-10 (a focus of Medicare's Uncompensated Care DSH audits).

A review of the recipient's billing and collection policies and procedures applicable to patient out-of-pocket expenses for patients with a presumptive or actual case of COVID-19.

A test sample of out-of-network patients with a presumptive or actual case of COVID-19 to determine whether the patient was assessed an out-of-pocket charges

HRSA Independent Audit Requirement Fact Sheet

<https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/independent-audit-requirement-fact-sheet.pdf>



OMB Compliance Supplement: 2 CFR Part 200 Appendix XI (cont.)

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Schedule of Expenditures for Federal Rewards (SEFA)

Period	Payment Received Period	Deadline to Use Funds	PRF Portal Reporting Time Period	FYEs of SEFA Reporting
1	4/10/20 to 6/30/20	6/30/21	7/1/21 to 9/30/21	6/30/21 through 6/29/22
2	7/1/20 to 12/31/20	12/31/21	1/1/22 to 3/31/22	12/31/21 through 6/29/22
3	1/1/21 to 6/30/21	6/30/22	7/1/22 to 9/30/22	Guidance will in included in 2022 Compliance Supplement
4	7/1/21 to 12/31/21	12/31/22	1/1/23 to 3/31/23	

- For a FYE of June 30, 2021, and through FYEs of December 30, 2021, recipients should report in the SEFA, the expenditures and lost revenues from the Period 1 PRF report.
- For a FYE of December 31, 2021 and through FYEs of June 29, 2022, recipients should report in the SEFA, the expenditures and lost revenues from both the Period 1 and Period 2 PRF reports.
- For FYEs on or before June 29, 2021, no PRF expenditures or lost revenues should be reported by recipients on the SEFA until the specified timeframe described in the reporting requirements summarized in the table above.



OMB Compliance Supplement 2 CFR Part 200 Appendix XI

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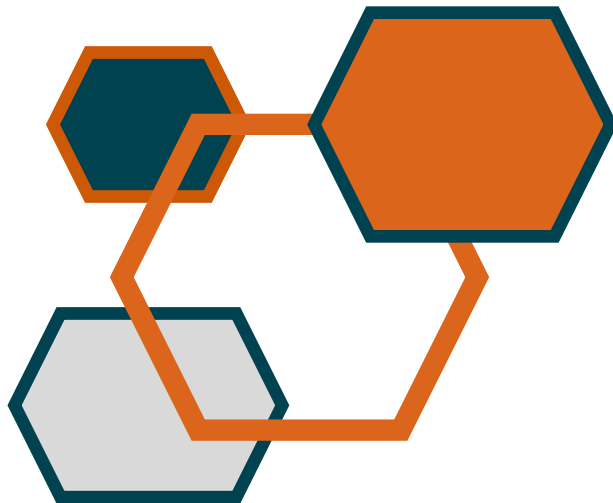
Allowable PRF COVID-19 Expenses			
OMB Compliance Supplement		HHS Reporting Instruction	
<input checked="" type="checkbox"/>	Building or construction of temp. structures	<input checked="" type="checkbox"/>	General & Administrative (G&A)
<input checked="" type="checkbox"/>	Emergency operation centers	<input checked="" type="checkbox"/>	Mortgage/Rent
<input checked="" type="checkbox"/>	Retrofitting facilities	<input checked="" type="checkbox"/>	G&A Insurance
<input checked="" type="checkbox"/>	Leasing of properties	<input checked="" type="checkbox"/>	G&A Personnel
<input checked="" type="checkbox"/>	Medical supplies and equipment ⁵	<input checked="" type="checkbox"/>	G&A Fringe Benefits
<input checked="" type="checkbox"/>	Increased workforce and trainings	<input checked="" type="checkbox"/>	G&A Lease Payments
<input checked="" type="checkbox"/>	Surge capacity	<input checked="" type="checkbox"/>	Other G&A
		<input checked="" type="checkbox"/>	Healthcare Supplies
		<input checked="" type="checkbox"/>	Healthcare Equipment
		<input checked="" type="checkbox"/>	Healthcare IT
		<input checked="" type="checkbox"/>	Healthcare Facilities
		<input checked="" type="checkbox"/>	Other Healthcare

https://www.whitehouse.gov/wp-content/uploads/2021/08/OMB-2021-Compliance-Supplement_Final_V2.pdf

OMB will releasing additional audit requirements




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Lost Revenues





Patient Care Lost Revenues

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Reporting Complexity | Increased Likelihood of Audit?

Quarterly Actual Reporting (Option i)

- Base Period 2019 (CY Quarters)
- Each quarter during period of availability
- Supports carry forward of residual lost revenue amounts across reporting periods until the end of the period of availability
- Net Patient Care Revenue (NSRS) Before Expenses

Quarterly Actual to Budget (Option ii)

- Quarterly Actual vs. Budget comparison during the period of availability
- Supports carry forward of residual lost revenue amounts across reporting periods until the end of the period of availability
- Budget base year reflects 2020 budgets approved by 3/27/20
- NPSR Before Expenses

Any Other (Option iii)

- Any Reasonable Method of Estimating Revenue
- Description and explanation why methodology is reasonable
- Define how lost revenues were attributable to coronavirus, as opposed to by any other source


Potential "Other" Scenarios:

- 1) New service in 2020 | 2021, not included in 2019 baseline (provided in HRSA lost revenue guide*)
- 2) Hybrid reporting of budgeted and actual revenue (many non-Dec. 31 providers have budgets approved by 3/27/20 for part of their fiscal year, but not the entire fiscal year).
- 3) Closure of neighbor Hospital, resulting in both increase in revenue and expenses

*<https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/prf-lost-revenues-guide.pdf>

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Patient Care Lost Revenues (cont.)

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Potential Examples for Reporting Lost Revenue under Other Option iii

Hybrid (i.e., 2020 Budget to 2020 Actual; then 2021 Actual to 2019 Actual)*

Reclassification of Lost Revenue from Subsidiary to Parent Company (Targeted Payments)**

Adjustment for Non base year (2019) fluctuations in revenue. However, it appears providers can exclude payments received or payments made to third parties relating to care not provided in 2019 or 2020 under Options i and ii***.

*A provider's budget for the next reporting period may not have been approved by 3/27/20.

**Option iii, from the Post-Payment Notice of Reporting Requirements, provides Reporting Entities flexibility in the reconciliation of lost revenues. Lost revenues may then be applied as the reporting entity sees fit. Reporting Entities should work with their accounting firms to determine an appropriate way to allocate expenses and lost revenues..."

***FAQ: Providers may have significant fluctuations in year-over-year net patient revenues due to settlements or payments made to third parties relating to care delivered outside the reporting period (2019-2020). Should Provider Relief Fund recipients exclude from the reporting of net patient revenue payments received for care not provided in 2019 or 2020? (Added 11/18/2020)

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Poll 4

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Is your organization reporting lost revenue as "Other" (Option iii)?

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Revenue Loss and Other Revenue

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- *Offset any amounts received through other sources, such as
- Direct patient billing
 - Commercial insurance
 - Medicare/Medicaid/CHIP
 - Federal Emergency Management Agency (FEMA)
 - HRSA Uninsured Program
 - COVID-19 Coverage Assistance Fund (CAF)
 - Paycheck Protection Program (PPP)

Key	Description	Amount
A	CY 2020 Q1 Revenue Loss	(1,000,000)
B	CY 2020 Q2 Revenue Loss	(9,500,000)
C	CY 2020 Q3 Revenue Loss	0
E	CY 2020 Q4 Revenue Loss	0
F	CY 2021 Q1 Revenue Loss	0
G	CY 2021 Q2 Revenue Loss	0
H = A:G	Revenue Loss	(10,500,000)

Revenue loss includes patient payments related to COVID-19 (e.g., Medicare 20% DRG add-on)

This "other revenue" is accounted for, and therefore if reported against expenses would be duplicated


"Other revenue" is a part of the calculation of \$0 gains
Does HHS still expect providers to offset COVID-19 expenses by this other revenue?

*FAQ: How do I determine if expenses should be considered "expenses attributable to coronavirus not reimbursed by other sources?" (Modified 9/13/2021)

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Other Assistance Received

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	Q1 (2020)	Q2 (2020)	Q3 (2020)	Q4 (2020)	Q1 (2021)	Q2 (2021)
RHC COVID-19 Testing Funds Received						
Treasury, Small Business Administration (SBA) (e.g., CARES Act/Paycheck Protection Program)						
Description: Total amount of other assistance received from Treasury, Small Business Administration (SBA) (e.g., CARES Act/Paycheck Protection Program) by the reporting entity or by its subsidiaries included in the reporting during the period of availability.						
FEMA Programs (CARES Act, Public Assistance, etc.)						
Description: Total amount of other assistance received from FEMA Programs (CARES Act, Public Assistance, etc.) by the reporting entity or by its subsidiaries included in the reporting during the period of availability.						
HHS CARES Act Testing						
Description: Total amount of other assistance received from HHS CARES Act Testing by the reporting entity or by its subsidiaries included in the reporting during the period of availability.						
Local, State, and Tribal Government Assistance						
Description: Total amount of other assistance received from Local, State, and Tribal Government Assistance by the reporting entity or by its subsidiaries included in the reporting during the period of availability.						
Business Insurance						
Description: Total amount of other assistance received from Business Insurance by the reporting entity or by its subsidiaries included in the reporting during the period of availability.						
Other Assistance						
Description: Total amount of other assistance received from other sources by the reporting entity or by its subsidiaries included in the reporting during the period of availability.						

- “The Other Assistance Received reported to HRSA will not be used in the calculation of expenses or lost revenues
- Reporting Entities are expected to make a determination of their **expenses applied to Provider Relief Fund payments after considering “Other Assistance Received”** and taking into account that Provider Relief Fund payments may not be used for expenses or lost revenues that other sources have reimbursed or that other sources are obligated to reimburse...”*

*FAQ: How will HRSA use “Other Assistance Received” when calculating expenses or lost revenues? (Added 7/1/2021)

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PRF Metrics

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	Q1 (2019)	Q2 (2019)	Q3 (2019)	Q4 (2019)	Q1 (2020)	Q2 (2020)	Q3 (2020)	Q4 (2020)	Q1 (2021)	Q1 (2021)	
Time Consuming?	Personnel Metrics										
	Full Time										
	Clinical										
	Non-clinical										
	Part Time										
	Clinical										
	Non-clinical										
	Contractor										
	Clinical										
	Non-clinical										
	Furloughed										
	Clinical										
	Non-clinical										
	Separated										
	Clinical										
	Non-clinical										
	Hired										
	Clinical										
	Non-clinical										
	Patient Metrics										
	Inpatient Admissions										
	Outpatient Visits (In-person and Virtual)										
	Emergency Department Visits										
	Number of Facility (for Long and Short-term Residential Facilities)										
Facility Metrics *Only if the Provider or its subsidiaries operate or support staffed beds*											
Medical/Surgical Beds											
Critical Care Beds											
Other Beds											

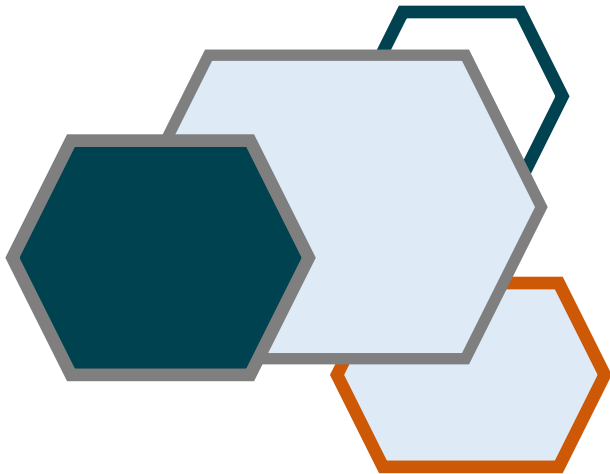

HRSA Provider Relief Fund Reporting Patient Metrics Fact Sheet
<https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/patient-metrics-fact-sheet.pdf>

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Hypothetical Scenarios of Provider PRF Reporting

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Scenario 1: All Expenses Through 6/30/21 With Lost Revenues

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Key	Description	Amount	Remaining Balance
Step 1 PRF Net of Expenses:			
A	Total PRF	10,000,000	
B	CY 2020 Q1 Expenses	(500,000)	0
C	CY 2020 Q2 Expenses	(1,000,000)	0
D	CY 2020 Q3 Expenses	(1,000,000)	0
E	CY 2020 Q4 Expenses	(1,000,000)	0
F	CY 2021 Q1 Expenses	(1,000,000)	0
G	CY 2021 Q2 Expenses	(1,000,000)	0
H = A:G	Total Expenses	(5,500,000)	0
I = A+H	PRF net of Expenses	4,500,000	
Step 2 Revenue Loss:			
J	CY 2020 Q1 Revenue Loss	(1,000,000)	0
K	CY 2020 Q2 Revenue Loss	(9,000,000)	(5,500,000)
L	CY 2020 Q3 Revenue Loss	0	0
M	CY 2020 Q4 Revenue Loss	(2,000,000)	(2,000,000)
N	CY 2021 Q1 Revenue Loss	(2,000,000)	(2,000,000)
O	CY 2021 Q2 Revenue Loss	(1,000,000)	(1,000,000)
P = J:O	Revenue Loss For Reporting Period	(15,000,000)	(10,500,000)
Q = I	PRF Net of Expenses	4,500,000	
R = P	Revenue Loss	(15,000,000)	
S = Q+R	Carry Forward to Reporting Period 2	(10,500,000)	

Provider reports all expenses through 6/30/21

- Lost revenue to cover PRF Period 1 is needed through part of CY 2020 Q2
- Remaining balance, plus lost revenue from other quarters carried forward into reporting period 2

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Scenario 2: All Expenses Through 6/30/21 with Carry Forward

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Key	Description	Amount	Remaining Balance
Step 1 PRF Net of Expenses:			
A	Total PRF	5,000,000	
B	CY 2020 Q1 Expenses	(1,500,000)	0
C	CY 2020 Q2 Expenses	(4,000,000)	(500,000)
D	CY 2020 Q3 Expenses	(1,000,000)	(1,000,000)
E	CY 2020 Q4 Expenses	(1,000,000)	(1,000,000)
F	CY 2021 Q1 Expenses	(1,000,000)	(1,000,000)
G	CY 2021 Q2 Expenses	(1,000,000)	(1,000,000)
H = A:G	Total Expenses	(9,500,000)	(4,500,000)
I = A+H	PRF net of Expenses (Carry Forward to Period 2)	(4,500,000)	
Step 2 Revenue Loss:			
J	CY 2020 Q1 Revenue Loss	(500,000)	(500,000)
K	CY 2020 Q2 Revenue Loss	(1,500,000)	(1,500,000)
L	CY 2020 Q3 Revenue Loss	(1,500,000)	(1,500,000)
M	CY 2020 Q4 Revenue Loss	(1,500,000)	(1,500,000)
N	CY 2021 Q1 Revenue Loss	(1,500,000)	(1,500,000)
O	CY 2021 Q2 Revenue Loss	(1,500,000)	(1,500,000)
P = J:O	Revenue Loss For Reporting Period (Carry Forward of Lost Revenue to Period)	(8,000,000)	(8,000,000)
Q = I+P	Total Carry Forward into Period 2	(12,500,000)	

- Provider needs \$5M in COVID-19 expenses to cover PRF in Period 1
- The remaining balance of \$4.5M is carried over into reporting period 2 and reported as "unreimbursed expenses" in the PRF Portal for Reporting Period 1
- The PRF portal will not allow provider to enter lost revenue in Period 1, as expenses cover PRF amount
- Provider is prepared to carry forward these lost revenue amounts to report against PRF in subsequent reporting periods

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Scenario 3: Expenses Held and Lost Revenue Applied Towards PRF

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Key	Description	Amount	Remaining Balance
Step 1 PRF Net of Expenses:			
A	Total PRF	10,000,000	
B	CY 2020 Q1 Expenses	(500,000)	0
C	CY 2020 Q2 Expenses	(1,000,000)	0
D	CY 2020 Q3 Expenses	0	0
E	CY 2020 Q4 Expenses	0	0
F	CY 2021 Q1 Expenses	0	0
G	CY 2021 Q2 Expenses	0	0
H = A:G	Total Expenses	(1,500,000)	0
I = A+H	PRF net of Expenses	8,500,000	
Step 2 Revenue Loss:			
J	CY 2020 Q1 Revenue Loss	(1,000,000)	0
K	CY 2020 Q2 Revenue Loss	(9,000,000)	(1,500,000)
L	CY 2020 Q3 Revenue Loss	0	0
M	CY 2020 Q4 Revenue Loss	(2,000,000)	(2,000,000)
N	CY 2021 Q1 Revenue Loss	(2,000,000)	(2,000,000)
O	CY 2021 Q2 Revenue Loss	(1,000,000)	(1,000,000)
P = J:O	Revenue Loss For Reporting Period	(15,000,000)	(6,500,000)
Q = I	PRF Net of Expenses	8,500,000	
R = P	Revenue Loss	(15,000,000)	
S = Q+R	Carry Forward to Reporting Period 2	(6,500,000)	

- Provider "holds" expenses (e.g., reviewing remaining invoices, submitting expenses for potential FEMA reimbursement*)
- Recall the period of availability for subsequent reporting periods always begins 1/1/2020, so seemingly hospitals should be able to report expenses related to CY 2020 Q3 through CY 21 Q2 in a latter reporting period
- Provider uses lost revenues to cover remaining Period 1 PRF, with carry forward amount for Reporting Period 2
- However, HHS states, "HRSA expects that PRF payments would be applied to unreimbursed expenses attributable to coronavirus that are not obligated to be reimbursed by other sources before Provider Relief Fund payments are used for lost revenues"***
- HHS also states: "Reporting Entities will see the reporting system asks for unreimbursed expenses attributable to coronavirus first in the overall use of funds calculation; it is possible for a Reporting Entity to enter "0"****

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Scenario 4: Expenses Held and No Lost Revenue Applied Towards PRF


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Key	Description	Amount	Remaining Balance
Step 1 PRF Net of Expenses:			
A	Total PRF	5,000,000	
B	CY 2020 Q1 Expenses	(1,500,000)	0
C	CY 2020 Q2 Expenses	(4,000,000)	(500,000)
D	CY 2020 Q3 Expenses	0	0
E	CY 2020 Q4 Expenses	0	0
F	CY 2021 Q1 Expenses	0	0
G	CY 2021 Q2 Expenses	0	0
H = A:G	Total Expenses	(5,500,000)	(500,000)
I = A+H	PRF net of Expenses (Carry Forward to Period 2)	(500,000)	
Carry Forward to Period 2			
Step 2 Revenue Loss:			
J	CY 2020 Q1 Revenue Loss	(500,000)	(500,000)
K	CY 2020 Q2 Revenue Loss	(1,500,000)	(1,500,000)
L	CY 2020 Q3 Revenue Loss	(1,500,000)	(1,500,000)
M	CY 2020 Q4 Revenue Loss	(1,500,000)	(1,500,000)
N	CY 2021 Q1 Revenue Loss	(1,500,000)	(1,500,000)
O	CY 2021 Q2 Revenue Loss	(1,500,000)	(1,500,000)
P = J:O	Revenue Loss For Reporting Period (Carry Forward of Lost Revenue to Period)	(8,000,000)	(8,000,000)
Q = I+P	Total Carry Forward into Period 2	(8,500,000)	

- Provider needs \$5M in COVID-19 expenses to cover PRF in Period 1
- Provider reports expenses covering PRF from CY 2020 Q1 and Q2
- Provider holds remaining expenses for PRF Period 2.
- HHS FAQ states "it is possible for a Reporting Entity to enter "0" for unreimbursed expenses.
- The PRF portal will not allow provider to enter lost revenue in Period 1, as expenses cover PRF amount
- Provider is prepared to carry forward these lost revenue amounts to report against PRF in subsequent reporting periods

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Poll 5

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Is your organization holding expenses to report in a later PRF reporting period?

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Questions



Please type your question in the Q&A box at the bottom of your screen, press enter.

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Thank you

For updates, summaries, supporting details, and COVID-19 funding models please visit:
<https://www.toyonassociates.com/latest-covid-19-resources/>

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Thank You



Thank you for participating in today’s webinar.

A recording of the program will be sent to each attendee.

For education questions, contact:
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