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HHS Publishes Reporting Requirements for Provider Relief Fund Recipients

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On September 19, 2020, the Department of Health and Human Services published more details on the reporting requirements for recipients of payments under the Provider Relief Fund (PRF), which recently has been expanded to include senior living providers. The reporting rules offer some clarification as to the kinds of expenditures for which PRF payments may be used.

Provider Relief Fund recipients who received one or more payments exceeding \$10,000 are required to report their expenditures through the period ending December 31, 2020 within 45 days of the end of calendar year 2020. Recipients with funds unexpended after December 31, 2020, must submit a second and final report no later than July 31, 2021. 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. 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.

Detailed PRF reporting instructions will be available through the HRSA website at hhs.gov/providerrelief.

The data that recipients will be required to report as part of the post-payment reporting process include the following elements that may be of particular interest to senior living providers.

Expenses Attributable to COVID in General

Expenses attributable to coronavirus may include those 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. Expenses eligible for PRF payments cannot be reimbursed by other sources.

General and Administrative Expenses Attributable to Coronavirus

Actual G&A expenses incurred due to COVID over and above what has been reimbursed by other sources.

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 employees

Fringe Benefits: Extra benefits supplementing an employee's salary, which may include hazard pay, travel reimbursement, employee health insurance, etc.

Lease Payments: new equipment or software leases.

Utilities/Operations: Lighting, cooling/ventilation, cleaning, or additional third party vendor services.

Healthcare Related Expenses Attributable to Coronavirus

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.

Equipment: Expenses paid for purchase of equipment used to prevent, prepare for, or respond to the coronavirus during the reporting period, such as updates to HVAC systems.

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.

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.

Lost Revenues Attributable to Coronavirus

Reportable use of PRF payments includes lost revenues attributable to coronavirus, represented as a negative change in year-over-year net operating income from patient care related sources. "Patient care" is defined as health care, services and supports, as provided in a medical setting, at home, or in the community.

Revenues include payments from government programs such as Medicare and Medicaid, commercial insurance and self-paying customers, as well as other COVID relief programs such as the CARES Act Paycheck Protection Program (PPP), FEMA payments and state and local relief payments.