

General and Targeted Distribution

Post-Payment Notice of Reporting Requirements January 15, 2020-2021

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 ~~supersedes~~ the ~~July 20-November 2, 2020 Post- Payment Notice of Reporting Requirements.~~

Please note that these reporting requirements do not apply to the Nursing Home Infection Control ~~distribution distributions~~ or the Rural Health Clinic Testing distribution. Separate reporting requirements will be or have been announced for these distributions. These reporting requirements also do not apply to reimbursement from the Health Resources and Services Administration (HRSA) COVID-19 Claims Reimbursement to Health Care Providers and Facilities for Testing, Treatment, and Vaccine Administration for the Uninsured Program and the HRSA COVID-19 Vaccine Administration Assistance Fund. Additional reporting may be announced in the future for these ~~payments-reimbursements~~.

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), and the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (P.L. 116-123) 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 ~~& and~~ 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.~~

Purpose

This notice informs recipients of the categories of data elements that ~~recipients they~~ must submit ~~for calendar years 2019 and 2020~~ as part of the reporting process. HRSA has amended this notice to reflect changes to the reporting process in accordance with the CRRSA. HRSA plans to offer Question &~~and~~ Answer Sessions via webinar in advance of the reporting deadline, and as needed, HRSA will also issue Frequently Asked Questions to ~~aid in provide greater clarity about~~ the reporting process.

Reporting Guidance Instructions on Use of Funds

Recipients will report their use of PRF payments using their normal method of accounting (cash or accrual basis), 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 includes~~ General and Administrative (G&A) and/or other 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 patient care lost revenues. Documentation requirements for lost revenue

calculations are further defined within the data elements section below.

Recipients may choose to apply PRF payments toward lost revenue using one of the following options, up to the amount:

- a) of the difference between their 2019 and 2020 actual patient care revenue;
- b) of the difference between 2020 budgeted and 2020 actual patient care revenue. If recipients elect to use 2020 budgeted patient care revenue to calculate lost revenue, they must use a budget that was established and approved prior to March 27, 2020. Providers using 2020 budgeted patient care revenue to calculate the amount of lost revenues they may permissibly claim will be required to submit additional documentation at the time of reporting; or
- c) calculated by any reasonable method of estimating revenue. If a recipient wishes to use an alternate reasonable methodology for calculating lost revenues attributable to coronavirus, the recipient must submit a description of the methodology, an explanation of why the methodology is reasonable, and establish how the identified lost revenues were in fact a loss attributable to coronavirus, as opposed to a loss caused by any other source. All recipients seeking to use an alternate methodology face an increased likelihood of an audit by HRSA. HRSA will notify a recipient if their proposed methodology is not reasonable, including because it does not establish with a reasonable certainty that claimed lost revenues were caused by coronavirus. If HRSA determines that a recipient's proposed alternate methodology is not reasonable, the recipient must resubmit its report within 30 days of notification using either 2019 and 2020 calendar year actual patient care revenue or 2020 calendar year budgeted revenue to calculate lost revenues attributable to coronavirus.

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, and/or to apply toward lost revenues in an amount not to exceed the difference between: 1) 2019 Quarter 1 to Quarter 2 and 2021 Quarter 1 to Quarter 2 actual revenue. ~~For example, the reporting period January–June 2021 will be compared to the same period in 2019, or January–March 2021 will be compared to the same quarter in 2019, or 2) 2020 Quarter 1 to Quarter 2 budgeted revenue and 2021 Quarter 1 to Quarter 2 actual revenue.~~

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 & and 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, or an entity that meets the following three criteria: 1) is the

Type of PRF recipient(s)	Definition
General Distribution recipient that received payment in Phase 1 only	Entity that received Phase 1 General Distribution payments totaling more than \$10,000 in aggregate
General Distribution with no parent organization or subsidiaries except PRF recipients that received Phase 1 General Distributions only	Entity (at the Tax Identification Number (TIN) level) that received one or more General Distribution payments totaling more than \$10,000 in aggregate

<u>General Distribution recipient with one or more subsidiaries that received payments in Phases 1-3</u>	<u>Entity that meets the following three criteria:</u> <ol style="list-style-type: none"> 1. Is the parent of one or more subsidiary billing TINs that received General Distribution payments in Phases 1-3, 2. Has providers associated with it that were providing diagnoses, testing, or care for individuals with possible or actual cases of COVID-19 on or after January 31, 2020, and 3. Is an entity that can otherwise attest to the Terms and Conditions.
<u>Targeted Distribution recipient</u>	<u>Entity (at the Tax Identification Number (TIN) level) that received Targeted Distribution payments totaling more than \$10,000 in aggregate</u>

If a parent ~~of one or more organization~~ has subsidiary ~~billing~~ TINs that ~~either~~ received General Distribution payments, ~~2) has providers associated with it that were providing diagnoses, testing, - or care for individuals with possible or actual cases of COVID-19 on or after January 31, 2020, and 3) is an entity that can otherwise attest to the Terms and Conditions. If the entity has subsidiary TINs that received directly from HRSA or which were transferred to them by their parent organization, the parent entity may report on the use of these General Distribution payments.~~ This requirement stands regardless of whether the ~~parent or the subsidiary or Reporting Entity formally attested to accepting the payment within the provider portal, payments. The entity reporting on the funds becomes the Reporting Entity may report on and direct the use of General Distribution payments. However, if a subsidiary TIN received a~~ ¹ The original Targeted Distribution payment; recipients, regardless of whether the parent or subsidiary TIN received the payment and regardless of whether that original recipient subsequently transferred it, becomes the Reporting Entity and must report on the 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 in accordance with the CRRSA.

- b. Tax Identification Number (TIN): ~~Reporting Entity's primary The~~ TIN associated with the ~~eligible healthcare provider who received the funds and accepted the PRF payment during attestation (the recipient) that is filing the report.~~ 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~~ Reporting Entity 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.

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~~

2. Additional Provider Payment Information

Interest Earned on PRF Payment – For Reporting Entities that held the PRF payment(s) being reported on in an interest-bearing account, the dollar value of interest earned on those PRF payment(s) must be reported. The total reportable use of PRF distributions will be inclusive of the interest earned on those PRF distributions.

3. Healthcare Related Expenses Attributable to Coronavirus Not Reimbursed by Other Sources (2020 only)

Expenses attributable to coronavirus may be Healthcare related expenses are limited to costs incurred both in treating confirmed or suspected cases of coronavirus, preparing for possible or actual to prevent, prepare for, and/or respond to coronavirus cases, maintaining healthcare delivery capacity, etc.

In this section, Reporting Entities that received between \$10,000-10,001 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 Reporting Entities that 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 in greater detail than 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 Coronavirus²¹

The actual G&A expenses attributable to coronavirus that were incurred over and above what has been reimbursed by other sources.

- a. **Mortgage/Rent:** Monthly payments 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.³²
- d. **Fringe Benefits:** Extra benefits supplementing an employee's salary, which may include hazard

²¹ As noted above, expenses attributable to coronavirus may be incurred in both direct patient care and overhead activities related to treatment of confirmed or suspected cases of coronavirus preventing, preparing for possible or actual, and responding to coronavirus cases, maintaining healthcare delivery capacity which includes operating and maintaining facilities, etc...1

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³²The 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.

- pay, travel reimbursement, and employee health insurance,etc.
- e. **Lease Payments:** ~~new~~New equipment or software ~~lease~~leases.
 - 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 Coronavirus²

The actual healthcare related expenses attributable to coronavirus that were incurred over and above what has been reimbursed by other sources.

- a. **Supplies:** Expenses paid for purchase of supplies used to prevent, prepare for, and/or respond to ~~the~~ coronavirus during the reporting period. Such items ~~could~~may 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, and/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, and/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, and/or respond to ~~the~~ coronavirus.

4. 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 actual revenue from patient care related sources. Revenues and expenses in this section include all lost patient care revenues and patient care cost/expense impacts.~~³

Total Revenue⁴/Net Charges⁴ from Patient Care⁵ Related Sources (2019 and in 2020):
 Revenue/net charges from patient care (prior to netting with expenses) for the calendar ~~years 2019 and year~~ 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~~

³ Note that if a Reporting Entity expends all of its PRF distributions on healthcare related expenses attributable to coronavirus, the Reporting Entity will still need to submit 2020 actual patient care revenue and 2019 actual patient care revenue.¹

⁴ Net of uncollectible patient service revenue recognized as bad debts..1

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 unrelated to patient care.

~~January 1 – June 30, 2021.~~

Revenue from Patient Care Payer Mix (2019 and 2020) and by payer mix:

- a. **Medicare Part A+ or B:** Actual revenues/net charges received from Medicare Part A+ or B for patient care for the calendar year.
- b. **Medicare Part C:** Actual revenues/net charges received from Medicare Part C for patient care for the calendar year.
- c. **Medicaid/Children's Health Insurance Program (CHIP):** Actual revenues/net charges received from Medicaid/Children's Health Insurance Program (CHIP) for patient care for the calendar year.
- d. **Commercial Insurance:** Actual revenues/net charges from commercial payers for patient care for the calendar year.
- e. **Self-Pay (No Insurance):** 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:** Actual gross revenues/net charges from other sources received for patient care services and not included in the list above for the calendar year.

Additional Revenue Information

In addition to providing 2020 actual patient care revenue, Reporting Entities will need to provide additional revenue information, depending on which of the lost revenue calculation options they select:

- Reporting Entities electing to calculate lost revenues attributable to coronavirus using the difference between their 2019 and 2020 actual patient care revenue must also submit Revenue from Patient Care Payer Mix as outlined above for the 2019 calendar year (by quarter).
- Reporting Entities electing to calculate lost revenues attributable to coronavirus using the difference between their 2020 budgeted and 2020 actual patient care revenue must submit their 2020 budgeted amount of patient care revenue. Recipients must also submit: 1) a copy of their 2020 budget, which must have been approved before March 27, 2020, and 2) an attestation from the Reporting Entity's Chief Executive Officer, Chief Financial Officer, or similar responsible individual, attesting under 18 USC § 1001 that the exact budget being submitted was established and approved prior to March 27, 2020.
- Reporting Entities electing to calculate lost revenue attributable to coronavirus using an alternate methodology must submit a description of the methodology, a calculation of lost revenues attributable to coronavirus using that methodology, an explanation of why the methodology is reasonable, and a description establishing how lost revenue was in fact a loss attributable to coronavirus, as opposed to a loss caused by any other source.

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.

5. Additional Data :

2020 Facility, Staffing and Patient Care (per quarter)

- a. **Personnel Metrics:** Total personnel by labor category (e.g., full-time, part-time, contract, other; recipient must define), total rehires, total new hires, and total personnel separations by labor category.
- b. **Patient Metrics:** Total number of patient visits (in-person or telehealth), total number of patients admitted, and 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 during calendar year 2020 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.

Other Assistance Received (2020)

- a. **Treasury, Small Business Administration (SBA) and the CARES Act/Paycheck Protection Program (PPP) Assistance:** 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 Federal Emergency Management Agency (FEMA) Assistance:** 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~~

Transfer of Targeted Distributions

Reporting Entities that received a Targeted Distribution and are a subsidiary of a parent organization must report on the use of each Targeted Distribution received, consistent with the instructions above. However, for the relevant calendar year.⁶

Healthcare Related Expenses (2019 and 2020)

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.~~

~~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, and total personnel separations by labor category.
- ~~b. Patient Metrics:~~ Total number of patient visits (in-person or telehealth), total number of patients admitted, and 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 subsidiary's parent organization may transfer the subsidiary's Targeted Distribution to another subsidiary of the parent organization, to be used by that other subsidiary. The subsidiary that is the Reporting Entity must indicate the amount of any of the Targeted Distributions it received that were transferred to the parent entity. Transferred Targeted Distributions face an increased likelihood of an audit by HRSA.

Single Audit Status

~~Reporting Entities that expended \$750,000 or more in aggregated federal financial assistance in 2020 during their fiscal year (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 Reporting Entities must indicate if they are subject to Single Audit requirements in 2020 during the current fiscal year, 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).~~

Legend:	
<u>Insertion</u>	
<u>Deletion</u>	
<u>Moved from</u>	
<u>Moved to</u>	
Style change	
Format change	
<u>Moved deletion</u>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	152
Deletions	123
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	275