

**PYA Webinar: “Provider Relief Fund — Office Hours Q&A” | Additional Questions & Answers | September 8, 2021**

Submitted Question	Answer
For the lost revenue calculations, is the expectation that the 2020 budget be used for both 2020 and 2021?	An entity must use an approved 2021 budget for 2021 lost revenues. A CY 2020 budget and Jan-June 2021 budget must be approved prior to March 27, 2021.
Do Critical Access Hospitals have to reduce PRF claimed by the amount of Medicare cost reimbursement? If yes, how is it computed?	Please see webinar materials for PYA's response to this question.
How should DSH revenue be treated for the purposes of the lost revenue calculation?	Please see webinar materials for PYA's response to this question.
If a CAH purchases capital, how do we handle future year depreciation expense? Should we estimate what Medicare will pay in the future?	Please see webinar materials for PYA's response to this question.
On a consolidated entity with subsidiaries having targeted payments, what lost revenue/information do they report if reporting on general distributions at a consolidated level?	Entities will only report expenses covered by the specific funds being reported on (i.e., general or targeted). When reporting lost revenue, report all revenue that applies to the entities being reported on. There might be a "double counting" of revenue under this scenario.
Are income taxes on COVID funds a legitimate COVID expense?	Yes, per the below FAQ posted on 12/11/2020, taxes imposed on provider relief payments are considered a COVID-19 expense. Please reference expenses question #7 in the webinar materials for PYA's response to this question.
If we are not ready to report expenses in period 1, can we report them all in period 2?	HRSA has clearly indicated that recipients cannot report in Period 1 on activities occurring after June 30, 2021, but it is has not indicated that recipients will have the opportunity to input expenses incurred prior to June 30, 2021 that were not reported in this reporting period in subsequent reporting periods. We recommend aligning reporting of expenses with the relevant reporting period.
Do you know what type of support will be required for salaries/wages? Will it be similar to FEMA?	HRSA has not published guidance regarding the specific type of documentation required to support any coronavirus-related expense. Adhering to FEMA requirements may be advisable.
Is anyone able to use option 2 for both reporting periods?	An entity must use an approved 2021 budget for 2021 lost revenues. A CY 2020 budget and Jan-June 2021 budget must be approved prior to March 27, 2021.
If you are subject to the single audit and an expense does not have sufficient support, will we have to return the funds? Or would we have to be audited by HRSA and they would need to tell us to return the funds?	The auditors in a Single Audit would not be the ones to require that the funds be returned. If the unsupported expenses are material enough, the auditors may modify their opinion or report it as a finding in their report, which could trigger attention from HRSA and they would be the ones to potentially request the funds be repaid.

Is there more detail for the Recruiting & Retaining personnel flyer HRSA put out?	In addition to the examples outlined in the HRSA flyer, time spent by staff on COVID-19-specific matters may be an allowable expense attributable to coronavirus so long as it was not reimbursed or obligated to be reimbursed by other sources. Further, the Terms and Conditions associated with each Provider Relief Fund payment do not permit recipients to use Provider Relief Fund money to pay salaries at a rate in excess of Executive Level II which is currently set at \$197,300.
What happens when an organization got over \$750K but didn't use it all in 2020? Are they still subject to single audit?	The \$750k threshold is based on the Portal reporting time period as outlined by HHS and included in the 2021 Compliance Supplement. The time frame information from the Compliance Supplement is also summarized in the following article: <a href="https://www.pyapc.com/insights/the-wait-is-over-for-now-hhs-provides-guidance-on-sefa-reporting/">https://www.pyapc.com/insights/the-wait-is-over-for-now-hhs-provides-guidance-on-sefa-reporting/</a> .
If we are a 12/31 FYE and our budget for 2020 was approved for 2020 by 3/27. However, per new guidelines, it appears our 2021 budget also needs to be approved?	An entity must use an approved 2021 budget for 2021 lost revenues. A CY 2020 budget and Jan-June 2021 budget must be approved prior to March 27, 2021.
Must we report FFCRA tax credits received for expenses to pay staff after COVID exposure or childcare issues in 2020?	This would be considered other assistance received and reported as such in the portal.
Is reporting of expenses quarterly and not annually?	Expenses must be reported on a quarterly basis for the period of availability.
If an office is closed for 3 months, can they make the rent an expense for reporting purposes? What about employee salaries?	Please see webinar materials for PYA's response to this question.
If your office is closed for 3 months, and you keep a skeletal staff working from home for emergency patients that Could be covid patients, is the rent an allocated expense or loss?	Please see webinar materials for PYA's response to this question.
Has anyone received clarification of fiscal year December recipients that would not have an approved 2022 budget by 3/27/2020?	An entity must use an approved 2021 budget for 2021 lost revenues. A CY 2020 budget and Jan-June 2021 budget must be approved prior to March 27, 2021.
Does guidance allow parent cost and/or lost revenues to be used to offset targeted dollars?	Please see webinar materials for PYA's response to this question.
Can you use zero for 2021 budget and just include 2020 budget if 2021 budget not approved by 3/27?	An entity must use an approved 2021 budget for 2021 lost revenues. A CY 2020 budget and Jan-June 2021 budget must be approved prior to March 27, 2021.
Is this webinar regarding the first or second round of funding?	This webinar covers only the first reporting period with a reporting deadline of September 30, 2021.
For a Sub with targeted funds that were transferred to the Parent for allocation, what exactly are we "reporting" in the portal?	Reporting of targeted funds cannot be transferred to a parent. The subsidiary must report on use of the targeted funds. Any general funds transferred from a subsidiary to a parent can be reported on a consolidated basis at the parent level.
Should one report the reimbursements from uninsured program under other assistance or under lost revenue instead?	Providers should include this in its lost revenue calculations.
Are self-funded employee health plan expenses eligible under PRF if an employee/plan member received treatment for COVID?	Please see webinar materials for PYA's response to this question.

Must Lost Revenue calculations obtained from RCM reports (using posting dates) tie to a submitter's G/L (deposit dates)?	Please see webinar materials for PYA's response to this question.
What time frame is the report covering?	Period one reporting applies to funds received through June 30, 2020, which must have been used by June 30, 2021.
How do you recommend expenses that were submitted to FEMA but have not been paid(committed) should be treated for PRF reporting?	Please see webinar materials for PYA's response to this question.
If a solo practice ended up selling his book of business to another practice with a different FEIN in Q3 2020 how to handle?	The new TIN owner cannot accept the payment directly from another entity nor attest to the Terms and Conditions on behalf of the previous owner in order to retain the Provider Relief Fund payment.
Can you break out lost revenue by service line dept (i.e. NH, RHC, or other largely elective departments)?	Yes, this was HRSA's example of an Option 3 lost revenue reasonable methodology.
We are a critical access hospital so a portion of the depreciation over the years are reimbursed on the cost report.	Please see webinar materials for PYA's response to this question.
How do we figure out cost report reimbursement on expenses for year end of June 30th?	Please see webinar materials for PYA's response to this question.
Would unreimbursed amount be everything or just expenses that could have qualified and were not covered?	Unreimbursed expenses are expenses that could be claimed as a COVID expense but weren't.
Did you say there is a FAQ related to question 5?	Are expenses related to securing and maintaining adequate personnel reimbursable expenses under the Provider Relief Fund? (Added 12/11/2020) Yes, expenses incurred by providers to secure and maintain adequate personnel, such as offering hiring bonuses and retention payments, child care, transportation, and temporary housing, are deemed to be COVID-19-related expenses if the activity generating the expense was newly incurred after the declaration of the Public Health Emergency and the expenses were necessary to secure and maintain adequate personnel.
If available, could you please provide the reference related to Q&A #5?	Are expenses related to securing and maintaining adequate personnel reimbursable expenses under the Provider Relief Fund? (Added 12/11/2020) Yes, expenses incurred by providers to secure and maintain adequate personnel, such as offering hiring bonuses and retention payments, child care, transportation, and temporary housing, are deemed to be COVID-19-related expenses if the activity generating the expense was newly incurred after the declaration of the Public Health Emergency and the expenses were necessary to secure and maintain adequate personnel.
How do you allocate PPE when all shipped/billed to one location? Does it matter if filing consolidated?	Please see webinar materials for PYA's response to this question.
Is a reduction in cost reimbursement based mental health revenues from 2019 to 2020 a valid basis for claiming lost revenues?	Yes, as long as there is no double counting. If they are cost reimbursed, then that is their net revenue.
Please clarify the definition of lost patient care revenues.	Per a recent HRSA FAQ, lost revenue is defined as gross revenue less contractual adjustments and allowance for bad debts (i.e., net patient revenue). For most cash-based providers (versus accrual) this would equate to receipts for patient services less refunds.

Can you clarify the answer on capital purchases?	Expenses for capital equipment and inventory may be fully expensed only in cases where the purchase was directly related to prevent, prepare for and respond to the coronavirus.
What needs to be done for single audit?	Please see webinar materials for PYA's response to this question.
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With a 5/31 FYE, when does the single audit occur?	A provider with a 5/31/21 FYE would not have to have a Single Audit on PRF until next year. The Single Audit requirement for PRF begins with FYEs ending on June 30, 2021 or later. So the 5/31/22 FYE would be the first period that would need to have a Single Audit due to PRF. Providers will need to consult with their audit firm to determine which PRF funds should be included in the Single Audit for FY22 and which funds would need to be included in a Single Audit for a subsequent fiscal year.
Will the support required for salary/personnel expenses be similar to FEMA? What is needed to support the salary expenses for PRF purposes?	HRSA has not published guidance regarding the specific type of documentation required to support any coronavirus-related expense. Adhering to FEMA requirements may be advisable.
How are providers to report lost revenue when a recipient of a targeted distribution transferred the funds? Whose numbers get reported?	When reporting consolidated at the parent level, report lost revenues on a consolidated basis. When reporting on the targeted funds at the subsidiary level, only report lost revenues related to the subsidiary. There will be some "double counting" of lost revenues in this scenario.
If we have revenue loss in Q2 2020 are we able to expend funds against Q2 2020 before expending funds against expense in later quarters (for example Q2 2021)? Since we incurred the revenue loss prior to the expenses incurred, we are curious if we have to use it on expense first or does it go in chronological order?	HRSA has clearly indicated that recipients cannot report in Period 1 on activities occurring after June 30, 2021, but it has not indicated that recipients will have the opportunity to input expenses incurred prior to June 30, 2021 that were not reported in this reporting period in subsequent reporting periods. We recommend aligning reporting of expenses with the relevant reporting period.
What is the guidance on the Single Audit deadline?	Single Audits are typically due 9 months after an organization's fiscal year-end. If an organization has a June 30, 2021 year end and is subject to Single Audit, and the organization was affected by COVID-19, then there is an additional 6 month extension granted by OMB. So for a 6/30/21 year-end with PRF affected by COVID, the deadline would be 15 months after the FYE. An organization should consult with their auditors to make sure that there are not other reporting deadlines that need to be considered.
What should we have prepared (scanned) in anticipation of requests for attachments?	Recipients must maintain documentation to support all listed expenses and lost revenue calculations.
If I have lost revenue in excess of funding I am okay?	The portal requires a recipient to list any coronavirus-related expenses not reimbursable by another source before entering lost revenue.
In the calculation for lost revenues, are we required to include reserves in our net patient revenue calculation?	Please see webinar materials for PYA's response to this question.
If our expenses and lost revenue exceeds the dollars received, should we report all expenses, show the excess, and file FEMA now for excess and report FEMA next time?	Per a recent HRSA FAQ, one does not include FEMA funds not yet received..



For the lost revenue calculation, do funds received from PPP loans (forgiven) need to be considered? Or are only patient revenue items used in the calculation?	No, PPP funds will not be included in your lost revenue calculations.
If a parent company is reporting consolidated with subsidiary, but the subsidiary did not receive funds until after the June 30th, do we include the subsidiary in reporting?	Yes, still include the subsidiary under the parent's registration if the sub is an eligible healthcare provider.
Can general distribution payments of a provider who also received targeted be reported under the parent?	Yes, general distributions can be reported under the parent. The sub is required to report on its targeted funds even if the general funds were transferred.



Disclaimer: To the best of our knowledge, these answers were correct at the time of publication. Given the fluid situation, and with rapidly changing new guidance issued daily, be aware that these answers may no longer apply. Please visit our COVID-19 hub frequently for the latest information, as we are working diligently to put forth the most relevant helpful guidance as it becomes available.

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