

**PRF FAQs added July 1, 2021:**

**Terms and Conditions**

**If a provider cannot expend its Provider Relief Fund payment by the applicable deadline to use funds, what is the deadline to return the unused funds to the government? (Added 7/1/2021)**

The provider must return any unused funds to the government within 30 calendar days after the end of the applicable Period of Reporting.

**Does HHS intend to recoup any payments made to providers not tied to specific claims for reimbursement, such as the General or Targeted Distribution payments? (Modified 7/1/2021)**

The Provider Relief Fund Terms and Conditions require that recipients be able to demonstrate that lost revenues or expenses attributable to COVID-19, excluding expenses and losses that have been reimbursed from other sources or that other sources are obligated to reimburse, meet or exceed total payments from the Provider Relief Fund. Provider Relief Fund payment amounts that have not been fully expended on health care expenses or lost revenues attributable to coronavirus by the deadline to use funds that corresponds to the Payment Received Period must be returned to HHS. The Provider Relief Fund Terms and Conditions and applicable legal requirements authorize HHS to audit Provider Relief Fund recipients now or in the future to ensure that program requirements are met. Provider Relief Fund payments that were made in error, or exceed lost revenues or expenses due to COVID-19, or do not otherwise meet applicable legal and program requirements must be returned to HHS, and HHS is authorized to recoup these funds.

**Ownership Structures and Financial Relationships**

**An organization that sold part of a practice in 2019 or January 2020 received a payment under Phase 1 of the General Distribution that reflected the 2019 Medicare fee-for-service billing of the part of the practice that was sold. Can the parent entity return a portion of the payment for the part of the practice it no longer owns? (Modified 7/1/2021)**

If a provider has unused funds, it may return all or a portion of the funds when the first reporting period begins. If a provider that sold a practice that was included in its most recent tax return gross receipts or sales (or program services revenue) figure can attest to meeting the Terms and Conditions, it may accept the funds. The Terms and Conditions place restrictions on how the funds can be used. In particular, all recipients will be required to substantiate that these funds were used for health care-related expenses or lost revenues attributable to coronavirus, and that those expenses or losses were not reimbursed from other sources and other sources were not obligated to reimburse them.

Can an organization that received a Provider Relief Fund payment and provided care on or after January 31, 2020 that sold, terminated, transferred, or otherwise disposed of a provider accept the payment (received via ACH or check) associated with the sold provider? (Modified 7/1/2021) If an organization that sold, terminated, transferred, or otherwise disposed of a provider that was included in its most recent tax return gross receipts or sales (or program services revenue) figure can attest to meeting the Terms and Conditions, it may accept the funds. The Terms and Conditions place restrictions on how the funds can be used. In particular, all recipients will be required to substantiate that these funds were used for health care-related expenses or lost revenues attributable to coronavirus up to the date of the sale, and that those expenses or losses were not reimbursed from other sources and other sources were not obligated to reimburse them.

**If, as a result of the sale of a practice/hospital, the TIN that received a Provider Relief Fund payment is no longer providing health care services as of January 31, 2020, is it required to return the payment? (Modified 7/1/2021)**

Yes. If, as a result of the sale of a practice/hospital, the TIN that received a Provider Relief Fund payment did not provide diagnoses, testing, or care for individuals with possible or actual cases of COVID-19 on or after January 31, 2020, the provider must reject the payment. The Provider Relief Fund Payment Attestation Portal guides providers through the attestation process to reject the attestation and return the payment to HRSA.

**Can a provider that purchased a TIN in 2019, 2020, or 2021 accept a Provider Relief Fund payment from a previous owner and complete the attestation for the Terms and Conditions? (Modified 7/1/2021)**

No. 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, including payment under the Nursing Home Infection Control Quality Incentive Payment Program. However, the new TIN owner may still otherwise apply for and/or receive funds.

## **Auditing and Reporting Requirements**

### ***Use of Funds***

**Must Federally Qualified Health Centers (FQHCs) and FQHC Look-Alikes fully draw down COVID-19 supplemental grant awards before using Provider Relief Fund payments for eligible expenses and lost revenues attributable to coronavirus? (Added 7/1/2021)** Grant funds awarded to FQHCs and FQHC Look-Alikes for costs for expenses or losses that are potentially eligible for payments under the Provider Relief Fund would need to be utilized until fully drawn down before Provider Relief Fund payments could be used during the applicable period of availability. The Provider Relief Fund requires that funds not be used to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse. If FQHCs or FQHC Look-alikes have incurred expenses or losses attributable to coronavirus that these grant awards do not cover, they may use Provider Relief Fund payments towards those expenses or losses.

**If rent or mortgages were paid during the applicable period of availability but staff worked remotely, could those expenses be claimed as eligible expenses? (Added 7/1/2021)**

Health care-related operating expenses are limited to costs incurred to prevent, prepare for, and respond to coronavirus. The amount of mortgage or rent eligible for Provider Relief Fund reimbursement is limited to that which was incurred to prevent, prepare for, and respond to coronavirus. Providers are required to maintain documents to substantiate that these funds were used for health care-related expenses attributable to coronavirus, and that those expenses or losses were not reimbursed from other sources and other sources were not obligated to reimburse them. The burden of proof is on the provider to ensure that documentation is maintained to show that expenses are to prevent, prepare for, and respond to coronavirus.

**If a Reporting Entity anticipates that it will receive coronavirus-related assistance, such as from FEMA, but that assistance has not yet been received, should that be accounted for in its Provider Relief Fund reporting? (Added 7/1/2021)**

Provider Relief Fund payments may be applied to expenses or lost revenues attributable to coronavirus, after netting the other funds received or obligated to be received which offset those expenses. If a provider has submitted an application to FEMA, but has not yet received the FEMA funds, the provider should not report the requested FEMA amounts in the Provider Relief Fund report. If FEMA funds are received during the same Payment Received Period in which provider is reporting on use of Provider Relief Fund payments, the receipt and application of each payment type is required in the Provider Relief Fund reporting process. If an entity receives a retroactive payment from FEMA that overlaps with the period of availability, the entity must not use the FEMA payment on expenses or lost revenues already reimbursed by Provider Relief Fund payments.

**Must the Reporting Entity be in receipt of purchases made using Provider Relief Fund Payments in order for the expense to be considered eligible for reimbursement? (Added 7/1/2021)**

No. For purchases of tangible items made using Provider Relief Fund payments, the purchase does not need to be in the Reporting Entity's possession (i.e., backordered personal protective equipment, capital equipment) to be considered an eligible expense. However, the costs must be incurred before the Deadline to Use Funds. Providers must follow their basis of accounting (e.g., cash, accrual, or modified accrual) to determine expenses.

**Can providers allocate parent overhead costs to the entities that received Provider Relief Funds? (Modified 7/1/2021)**

Yes, providers that already have a cost allocation methodology in place at the time they received funds, may allocate normal and reasonable overhead costs to their subsidiaries, which may be an eligible expense if attributable to coronavirus and not reimbursed from other sources.

**How does a Reporting Entity determine whether an expense is eligible for reimbursement through the Provider Relief Fund? (Modified 7/1/2021)**

To be considered an allowable expense under the Provider Relief Fund, the expense must be used to prevent, prepare for, and respond to coronavirus. Provider Relief Fund payments may also be used for lost revenues attributable to the coronavirus. Reporting Entities are required to maintain adequate documentation to substantiate that these funds were used for health care related expenses or lost revenues attributable to coronavirus, and that those expenses or losses were not reimbursed from other sources and other sources were not obligated to reimburse them. Reporting Entities are not required to submit that documentation when reporting. Providers are required to maintain supporting documentation which demonstrates that costs were obligated/incurred during the period of availability. The burden of proof is on the Reporting Entity to ensure that adequate documentation is maintained.

***Calculating Eligible Expenses and Lost Revenue***

**What is the maximum allotment of my organization's Provider Relief Fund amount that can be allocated to lost revenues during the period of availability of funds? (Modified 7/1/2021)**

There is not a maximum or minimum that can be allocated. 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". Provider Relief Fund payment amounts not fully expended on unreimbursed health care-related expenses attributable to coronavirus during the period of availability are then applied to lost revenues. Lost revenues or expenses must only have been incurred during the period of availability correlating to the Payment Received Date as described in the June 11 Post-Payment Notice of Reporting Requirements. For Option i and Option ii, lost revenues are calculated for each quarter during the period of availability, as a standalone calculation, with 2019 quarters serving as a baseline. For each calendar year of reporting, the applicable quarters where lost revenues are demonstrated are totaled to determine an annual lost revenues amount. There is no offset. Option iii provides maximum flexibility to providers by allowing providers to calculate lost revenues using an alternate reasonable methodology.

**Can recipients use 2020 budgeted revenues as a basis for reporting lost revenues? (Modified 7/1/2021)** Yes. When reporting use of Provider Relief Fund payments toward lost revenues attributable to coronavirus, Reporting Entities may use budgeted revenues if the budget(s) and associated documents covering calendar year 2020 were established and approved prior to March 27, 2020. To be considered an approved budget, the budget must have been ratified, certified, or adopted by the Reporting Entity's financial executive, executive officer or other responsible representative as of that date, and the Reporting Entity will be required to attest that the budget was established and approved prior to March 27, 2020. Documents related to the budget, including the approval, must be maintained in accordance with the Terms and Conditions.

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

**How will HRSA use the net unreimbursed expenses attributable to coronavirus in the calculation of expenses or lost revenues? (Added 7/1/2021)**

The net unreimbursed expenses attributable to coronavirus reported to HRSA will not be used in the calculation of expenses or lost revenues. Reporting Entities are expected to determine their net unreimbursed expenses attributable to coronavirus after taking into consideration the application of Other Assistance Received and all Provider Relief fund payments. HRSA expects that Provider Relief Fund 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. 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”.

**Will patient care revenue be counted against a Reporting Entity twice if the entity reported in “Other Assistance Received” and in the “Patient Care/Lost Revenue” sections of the Reporting Portal? (Added 7/1/2021/)**

Patient care revenue should not be reported as part of “Other Assistance Received” as it is a source of revenue, not a source of other assistance as defined by Provider Relief Fund reporting requirements. The “Other Assistance Received” reported to HRSA will not be used in the calculation of expenses applied to Provider Relief Fund payments or lost revenues.

**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/)**

Yes. 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. The Payment Received Periods described in the June 11, 2021 Post-Payment Notice of Reporting Requirements determine the period of availability of funding and when reports are due. Reporting Entities have varying fiscal year ends (e.g., June 30, September 30, or December 31).

**How should providers report lost revenues if their fiscal year does not align with the calendar year? (Added 7/1/2021/)**

All Reporting Entities that opt to report lost revenues using Option i (Comparison of Actual Revenue) or Option ii (Comparison of Budgeted Revenue to Actual Revenue) must enter their patient care revenue for each quarter within the entire period of availability. Reporting Entities using Option iii must enter their lost revenues, calculated by any reasonable method, for each quarter during the period of availability.

**How will HRSA calculate lost revenues for providers that select Option i (Comparison of Actual Lost Revenues) or Option ii (Comparison of Budgeted to Actual Lost Revenues) at the time of reporting? (Added 7/1/2021/)**

For Option i and Option ii, lost revenues are calculated for each quarter during the period of availability, as a standalone calculation, with 2019 quarters serving as a baseline. For each calendar year of reporting, the applicable quarters where lost revenues are demonstrated are totaled to determine an annual lost revenues amount. The annual lost revenues are then added together.

**What is the baseline comparison period for providers that report on patient care revenue using Option i (Comparison of Actual Lost Revenues) or Option ii (Comparison of Budgeted to Actual Lost Revenues)? (Added 7/1/2021/)**

Quarters from 2019 will serve as the baseline period of comparison.

**If a Reporting Entity experienced quarterly patient care revenue losses during some, but not all, of the quarters during the period of availability of funds, may Provider Relief Fund payments be used to cover losses during those quarters only? (Added 7/1/2021/)** Yes, lost revenues are calculated for each quarter during the period of availability, as a standalone calculation. Provider Relief Fund payments may be used to cover those quarters where patient care revenue losses occurred as long as those losses were attributable to coronavirus.

***Non-Financial Data***

**What are the categories for patient metrics? (Modified 7/1/2021)**

Patient metric categories include a) inpatient admissions; b) outpatient visits (in-person and virtual); c) emergency department visits; and d) facility stays (for long-term and short-term residential facilities). The definitions are included below.

- a) Inpatient Admissions: number of hospital admissions on a clinician's order (i.e., direct admit) or formally admitted from the emergency department to the hospital (i.e., emergency admission).

- b) Outpatient Visits: number of in-person or virtual patient encounters with a clinician in an office-based, clinic, or hospital outpatient department setting that do not require an inpatient admission.
- c) Emergency Department Visit: number of emergency department encounters for care or treatment. This may include patients on observation status who are cared for no longer than 72 hours but not formally admitted to a hospital.
- d) Facility Stays: number of stays (defined as unique admissions) for patients residing in a long-term or short-term care or treatment facility. A comprehensive user guide with definitions will be made available when the first reporting period begins.

### ***Extensions***

#### **Are providers able to request extensions on submissions of their required reports for any of the required reporting periods? (Added 7/1/2021)**

No. Providers that received one or more payments exceeding \$10,000, in the aggregate, during a Payment Received Period are required to report in each applicable Reporting Time Period. Providers that are required to report and do not submit a completed report by the applicable deadlines will be deemed out of compliance with the program Terms and Conditions and may be subject to recoupment.

**Are providers able to request extensions on the deadline to use funds? (Added 7/1/2021)** No. HRSA will not approve extensions on the use of funds for any providers. Any unused funds must be returned to the government following the relevant Reporting Time Period.

### ***Miscellaneous***

#### **How will a Reporting Entity know if HRSA determines if its revenue estimation approach is considered reasonable? (Added 7/1/2021)**

HRSA will notify a Reporting Entity if their proposed methodology is not reasonable, including if it does not demonstrate with a reasonable certainty that claimed lost revenues were caused by coronavirus. If HRSA determines that a Reporting Entity's proposed alternate methodology is not reasonable, the entity will be asked to resubmit its report within 30 days of notification using either Option i or Option ii to calculate lost revenues attributable to coronavirus.

#### **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 (2019-2021). Should Provider Relief Fund recipients exclude from the reporting of net patient revenue payments received for care not provided in 2019, 2020, or 2021? (Modified 7/1/2021)**

Provider Relief Fund recipients shall exclude from the reporting of net patient revenue payments received or payments made to third parties relating to care not provided in 2019, 2020, or 2021.