

New FAQs for the PRF added after 12/5/20 as of 1/13/20

Full FAQ is here: <https://www.hhs.gov/sites/default/files/provider-relief-fund-general-distribution-faqs.pdf>

Overview:

Is there a minimum amount for the Provider Relief Fund to issue payments? (Added 12/11/2020)

Yes. The Provider Relief Fund does not issue individual General and Targeted Distributions payments that are less than \$100.

If a provider returns a Provider Relief Fund payment to HHS, must it also return any accrued interest on the payment? (Modified 12/11/2020)

Yes, for Provider Relief Fund payments that were held in an interest-bearing account, the provider must return the accrued interest associated with the amount being returned to HHS. However, if the funds were not held in an interest-bearing account, there is no obligation for the provider to return any additional amount other than the Provider Relief fund payment being returned to HHS. HHS reserves the right to audit Provider Relief Fund recipients in the future to ensure that payments that were held in an interest-bearing account were subsequently returned with accrued interest.

Will I receive a Form 1099? (Added 12/18/2020) Yes, you will receive a Form 1099 if you received and retained within the calendar year 2020 a total net payment from either or both of the Provider Relief Fund and COVID-19 Claims Reimbursement to Health Care Providers and Facilities for Testing, Treatment, and Vaccine Administration for the Uninsured that is in excess of \$600

Who do I contact if I have question regarding my Form 1099? (Added 12/18/2020)

Please call the Provider Support Line (866) 569-3522 (for TTY, dial 711) for any questions you may have regarding your Form 1099.

When will my Form 1099 be available? (Added 12/18/2020)

Form 1099s will be mailed by January 31st, 2021. If you have previously established an account with UnitedHealth Group and elected to receive electronic copies of documents and notices, you will not receive a mailed copy. Who do I contact if I have question regarding my Form 1099? (Added 12/18/2020) Please call the Provider Support Line (866) 569-3522 (for TTY, dial 711) for any questions you may have regarding your Form 1099.

Which sections of 45 CFR 75 – UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR HHS AWARDS are applicable to the General and Targeted Distributions of the Provider Relief Fund? (Added 12/28/2020)

Recipients (both non-federal entities and commercial organizations) of the General and Targeted Distributions of the Provider Relief Fund are subject to 45 CFR 75 Subpart A (Acronyms and Definitions) and B (General Provisions), subsections §§75.303 (Internal Controls), and 75.351- .353 (Subrecipient Monitoring and Management), and Subpart F (Audit Requirements). In addition, the terms and conditions of the PRF payments incorporate by reference the obligation of recipients to comply with the

requirements to maintain appropriate financial systems at 75.302 (Financial management and standards for financial management systems) and the requirements for record retention and access at 75.361 through 75.365 (Record Retention and Access).

Ownership Structures and Financial Relationships

Must a parent organization that received a Provider Relief Fund Targeted Distribution on behalf of a subsidiary in which it has a direct ownership relationship remit the payment to the subsidiary? (Modified 12/11/2020)

Yes. The purpose of Targeted Distribution payments is to support the specific financial needs of the eligible healthcare provider that received the payment. Control and use of the funds must be delegated to the entity that was eligible for the Targeted Distribution payment if a parent entity received the Targeted Distribution payment on behalf of an eligible subsidiary. The only exception to this occurs when the funds were received as part of the Skilled Nursing Facility Targeted Distribution or Nursing Home Infection Control Distribution (but not bonus payments received as part of the Nursing Home Infection Control Quality Incentive Program), in which case parent entities may distribute funds among those subsidiaries that were eligible for payment at its discretion.

Can a provider that purchased a TIN in 2019 or 2020 accept a Provider Relief Fund payment from a previous owner and complete the attestation for the Terms and conditions? (Modified 1/12/2021)

No. The new TIN owner cannot accept the payment 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 Program. However, the new TIN owner may still receive funds in other distributions.

Auditing and Reporting Requirements

Will HHS provide guidance to certified public accountants and those organizations that providers will rely on to perform audits? (Added 12/4/2020)

Yes. Providers who received \$10,000 or more in aggregate Provider Relief Fund payments will need to submit a report on how they used the PRF payment, and for more information on how to accurately fill out these reports, please refer to <https://www.hhs.gov/sites/default/files/postpayment-notice-of-reporting-requirements-november-2020.pdf> and <https://www.hhs.gov/sites/default/files/provider-relief-fund-general-distribution-faqs.pdf>. Some providers will also be subject to Single Audit requirements. Additional relevant guidance will be posted as an Addendum to the 2020 Compliance Supplement, which is available here at <https://www.whitehouse.gov/omb/management/office-federal-financial-management/>.

Can my organization get an extension to the submission due date for 2019 audit year reports conducted under 45 CFR Part 75? (Modified 12/11/2020)

Yes. The Office of Management and Budget (OMB) in OMB M-20-26, Extension of Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations, dated June 18, 2020, provided recipients, which include non-federal entities and commercial organizations, extensions beyond the normal due date to submit 2019

audit year reports. Please see the OMB website for more details:

<https://www.whitehouse.gov/omb/information-foragencies/memoranda/>. Recipients with questions about their ability to obtain extensions should email HRSA's Division of Financial Integrity at SARFollowup@hrsa.gov.

Can my organization get an extension to the submission due date for 2020 audit year reports for Single Audits conducted under 45 CFR Part 75? (Added 1/12/2021) Yes. The Addendum to the 2020 Compliance Supplement, which is available here at

<https://www.whitehouse.gov/omb/management/office-federal-financial-management/>, permits recipients, which include non-federal entities and commercial organizations, that received COVID-19 funding with original due dates from October 1, 2020, through June 30, 2021, (which is applicable for fiscal year ends January 31, 2020 – September 30, 2020) an extension for up to three (3) months beyond the normal due date in the completion and submission of the Single Audit reporting package. No further action by awarding agencies is required to enact this extension. This extension does not require individual recipients and subrecipients to seek approval for the extension by the cognizant or oversight agency for audit; however, recipients and subrecipients should maintain documentation of the reason for the delayed filing.

Can my organization get an extension to the submission due date for 2019 audit year reports for Single Audits conducted under 45 CFR Part 75? (Modified 1/12/2021)

Yes. The Office of Management and Budget (OMB) in OMB M-20-26, Extension of Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations, dated June 18, 2020, provided recipients, which include non-federal entities and commercial organizations, extensions beyond the normal due date to submit 2019 audit year reports. Please see the OMB website for more details:

<https://www.whitehouse.gov/omb/information-foragencies/memoranda/> Recipients with questions about this extension should email HRSA's Division of Financial Integrity at SARFollowup@hrsa.gov.

Will HHS provide guidance to certified public accountants and those organizations that providers will rely on to perform audits? (Modified 1/12/2021) Non-Federal Entities subject to Single Audit requirements can find guidance in the 2020 Compliance supplement addendum, which is available here at https://www.whitehouse.gov/wpcontent/uploads/2020/12/2020-Compliance-Supplement-Addendum_Final.pdf. The applicable Catalog of Federal Domestic Assistance (CFDA) are as follows: CFDA 93.498 for the Provider Relief Fund (General and Targeted Distributions) and CFDA 93.461 COVID-19 Testing for the Uninsured.

For providers who received the General or Targeted Distributions (CFDA 93.498) with fiscal years ending on or after December 31, 2020 the auditor will need to test compliance of the Provider Relief Fund report. Providers who received \$10,000 or more in aggregate Provider Relief Fund payments will need to submit a report on how they used the PRF payment, and for more information on how to accurately fill out these reports, please refer to <https://www.hhs.gov/sites/default/files/post-payment-notice-of->

[reporting-requirementsnovember-2020.pdf](#) and <https://www.hhs.gov/sites/default/files/provider-relief-fund-generaldistribution-faqs.pdf>

Use of Funds

My state or territorial Medicaid or Children’s Health Insurance Program (CHIP) agency has directed providers to use Provider Relief Fund dollars before applying Medicaid or CHIP reimbursement, as well as Medicaid COVID-19 supplemental payments, to cover health care-related expenses or lost revenues attributable to coronavirus. Is this permissible? (Added 12/28/2020)

No. As it relates to expenses, providers identify their health care-related expenses, and then apply any amounts received through other sources (e.g., direct patient billing, commercial insurance, Medicare/Medicaid/CHIP, reimbursement from the Provider Relief Fund COVID-19 Claims Reimbursement to Health Care Providers and Facilities for Testing, Treatment, and Vaccine Administration for the Uninsured, or funds received from FEMA or SBA/Department of Treasury’s Paycheck Protection Program) that offset the health care-related expenses. Provider Relief Fund payments may be applied to the remaining expenses or cost, after netting the other funds received or obligated to be received which offset those expenses.

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.

Are outsourced or third-party vendor services that enable access to health care services reimbursable expenses under the Provider Relief Fund? (Added 12/11/2020)

Yes, outsourced or third-party vendor services that enable sustained access to health care services and daily operations, such as food/patient nutrition services, facilities management, laundering, and disinfection/anti-contamination services, are considered reimbursable expenses if they are attributable to coronavirus. Can providers use Provider Relief Fund payment to pay taxes? (Added 12/11/2020) Yes. HHS considers taxes imposed on Provider Relief Fund payments to be “healthcare related expenses attributable to coronavirus” that are reimbursable with Provider Relief Fund money, except for Nursing Home Infection Control Distribution payments.

Can providers use Provider Relief Fund payment to pay taxes? (Added 12/11/2020)

Yes. HHS considers taxes imposed on Provider Relief Fund payments to be “healthcare related expenses attributable to coronavirus” that are reimbursable with Provider Relief Fund money, except for Nursing Home Infection Control Distribution payments.

When reporting my organization’s healthcare expenses attributable to coronavirus, how do I calculate the “expenses attributable to coronavirus not reimbursed by other sources?” (Modified 12/11/2020)

Healthcare related expenses attributable to coronavirus may include items such as supplies, equipment, information technology, facilities, employees, and other healthcare related costs/expenses for the

calendar year. The classification of items into categories should align with how Provider Relief Fund recipients maintain their records. Providers can identify their healthcare related expenses, and then apply any amounts received through other sources, such as direct patient billing, commercial insurance, Medicare/Medicaid/Children's Health Insurance Program (CHIP), or other funds received from the Federal Emergency Management Agency (FEMA), the Provider Relief Fund COVID-19 Claims Reimbursement to Health Care Providers and Facilities for Testing, Treatment, and Vaccine Administration for the Uninsured, and the Small Business Administration (SBA) and Department of Treasury's Paycheck Protection Program (PPP) that offset the healthcare related expenses. Provider Relief Fund payments may be applied to the remaining expenses or costs, after netting the other funds received or obligated to be received which offset those expenses. The Provider Relief Fund permits reimbursement of marginal increased expenses related to coronavirus. For example, assume the following:

A \$5 increase in expense or cost to provide an office visit is calculated by pre-pandemic cost vs. post-pandemic cost, regardless of reimbursement source:

- Pre-pandemic average expense or cost to provide an office visit = \$80
- Post-pandemic average expense or cost to provide an office visit = \$85

Examples of reimbursed amounts may include, but not be limited to:

- Example 1
Medicaid reimbursement: \$70 (Report $\$85 - \$80 = \$5$ as expense attributable to coronavirus but unreimbursed by other sources)
- Example 2
Medicare reimbursement: \$80 (Report $\$85 - \$80 = \$5$ as expense attributable to coronavirus but unreimbursed by other sources)
- Example 3
Commercial Insurance reimbursement: \$85 (Report \$5, commercial insurer did not reimburse for \$5 increased cost of post-pandemic office visit)
- Example 4
Commercial Insurance reimbursement: $\$85 + \5 insurer supplemental coronavirus related reimbursement (Report zero since insurer reimbursed for \$5 increased cost of post-pandemic office visit)
- Example 5
COVID-19 Claims Reimbursement to Health Care Providers and Facilities for Testing, Treatment, and Vaccine Administration for the Uninsured: \$80 (Report \$5 as expense attributable to coronavirus but unreimbursed by other sources)

Funds from the Federal Emergency Management Administration (FEMA) are generally intended to be the last source of reimbursement, however, the Post-Payment Notice of Reporting Requirements indicates that FEMA funds would be applied prior to the Provider Relief Fund distributions. In which order should governmental funding sources be applied and reported? (Modified 12/11/2020)

As it relates to expenses, providers identify their health care-related expenses, and then apply any amounts received through other sources (e.g., direct patient billing, commercial insurance, Medicare/Medicaid, reimbursement from the Provider Relief Fund COVID-19 Claims Reimbursement to

Health Care Providers and Facilities for Testing, Treatment, and Vaccine Administration for the Uninsured, or funds received from FEMA or SBA/Department of Treasury's Paycheck Protection Program) that offset the health care-related expenses. Provider Relief Fund payments may be applied to the remaining expenses or cost, after netting the other funds received or obligated to be received which offset those expenses.

Do providers report total purchase price of capital equipment or only the depreciated value? (Modified 12/11/2020) Providers who use accrual or cash basis accounting may report the relevant depreciation amount based on the equipment useful life, purchase price and depreciation methodology otherwise applied. For additional information on capital depreciation, please refer to the other Frequently Asked Questions related to capital equipment and capital facility projects.

Vaccine Distribution and Administration

Can Provider Relief Fund payments be used to support COVID-19 vaccine distribution? (Modified 12/11/2020)

Provider Relief Fund payments may be used to support expenses associated with distribution of a COVID-19 vaccine licensed or approved by the Food and Drug Administration (FDA) that have not been reimbursed from other sources or that other sources are not obligated to reimburse. Funds may also be used ahead of an FDA-licensed or approved vaccine becoming available. This may include using funds to purchase additional refrigerators, personnel costs to provide vaccinations, and transportation costs not otherwise reimbursed.

Can Provider Relief Funds be used to cover the cost of vaccination, including doses and administration fees, for Medicare, Medicaid, or CHIP beneficiaries? (Modified 12/11/2020) In line with the Terms and Conditions, funds may not be used to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse, which include, but is not limited to, Medicare, Medicaid, and CHIP. If reimbursement does not cover the full expense of administering vaccines, Provider Relief Funds may be used to cover the remaining associated costs.

Phase 3

What will be the methodology/formula used to calculate provider payment in Phase 3 General Distributions? (Modified 1/12/2021) Providers will be paid up to 88 percent of their reported losses (both lost revenue and health care related-expenses attributable to coronavirus incurred during the first half of 2020). Some applicants will not receive an additional payment, either because they experienced no change in revenues or net expenses attributable to COVID-19, or because they have already received funds that equal or exceed reimbursement of 88 percent of reported losses. Providers that have not yet received and kept a payment that is approximately 2% of annual revenue from patient care as part of a prior General Distribution will receive at least that amount as part of their Phase 3 payment.

Certain applicants may not receive these full amounts because HHS determined the revenues and operating expenses from patient care reported on their applications included figures that were not exclusively from patient care (as defined in the instructions), reported figures were not reflected in submitted financial documentation, or reported figures were extreme outliers in comparison to other

applicants of the same provider type; instead, HHS capped the amount paid to these provider types based on industry estimates of revenue and operating expenses from patient care.

What is the payment amount that an applicant should expect to receive from Phase 3 of the General Distribution? (Modified 1/12/2021)

If an applicant has not yet received and kept a payment that is approximately 2% of annual revenue from patient care as part of either Phase 1 or 2 of the General Distribution, then they will receive at least that amount in Phase 3 payment. In addition to this amount, providers will be paid up to 88 percent of their reported losses (both lost revenue and health care-related expenses attributable to coronavirus incurred during the first half of 2020). Some applicants may not receive this proportion of the losses reported on their applications, because HHS determined the reported revenues and operating expenses from patient care were not exclusively from patient care (as defined in the instructions) or because reported figures were not reflected in submitted financial documentation. Additionally, some applicants will not receive an additional payment either because they experienced no change in revenues or net expenses attributable to COVID19, or because they have already received funds that equal or exceed reimbursement of 88 percent of reported losses.

When will Phase 3 payments be made? (Modified 1/12/2021)

HHS began issuing Phase 3 – General Distribution payments in mid-December, 2020, and will continue making payments through the first months of 2021 to those providers that experienced a change in revenues or net expenses attributable to COVID-19 and that have not already received funds that equal or exceed reimbursement of 88 percent of reported losses, as well as to those that have not yet received and kept a payment that is approximately 2% of annual revenue from patient care as part of either Phase 1 or 2 of the General Distribution. HHS is continuing to review and validate applications received and will disperse payments in batches as applications are adjudicated.

Nursing Home Infection Control Distribution

How is the infection gateway calculated for determining eligibility for Quality Incentive Program payments under the Nursing Home Infection Control Distribution? (Added 12/28/2020)

The infection gateway criterion specifically excludes facilities that are found to have an infection rate exceeding the estimated infection rate in their county during the performance period. County infection rates are measured using daily COVID-19 community profile reports (CPRs) disseminated under the HHS Protect data program. CPRs contain information on the rate of COVID-19 infections for all residents in each county. County infection rates are not the same as county positivity rates.

If a provider purchases a facility that becomes eligible for a payment under the Quality Incentive Program for a given monthly reporting period, but the provider did not own the facility during the applicable reporting period, may the provider keep the payment? (Added 1/12/2021)

No. If a provider did not own the facility that qualified for a Quality Incentive Program payment during the applicable month on which the payment was based under the Quality Incentive Program and subsequently purchased the facility, the provider must return the payment to HHS. HHS makes payments based on the most current financial information available, which may not reflect the owner's

information during the applicable reporting period, in the event of a sale. The current owner may still receive and retain funds for other reporting periods in which it did own the facility if it otherwise meets the eligibility criteria.