

## Eli's Hospice Insider

### Finance: HHS Offers A Few More Provider Relief Fund Puzzle Pieces

#### Plus: 45-day acceptance extension gives hospices breathing room.

Trying to figure out how relief funding for COVID-19 works can seem like a full-time job, but now hospices have more specific information.

**Then:** In accepting CARES Act Provider Relief Fund money, the **Department of Health and Human Services** specified that providers must agree to terms and conditions, including that the funds "only be used to prevent, prepare for, and respond to coronavirus, and that the Payment shall reimburse the Recipient only for health care related expenses or lost revenues that are attributable to coronavirus."

But many hospices were uneasy about accepting the funds, since the specifics were very hazy. "'Health care related expenses attributable to coronavirus' is a broad term that may cover a range of items and services purchased to prevent, prepare for, and respond to coronavirus," HHS acknowledges on its Provider Relief Fund webpage. But in a frequently asked question posted June 2, HHS offers some examples, including these items particularly relevant for hospice providers:

- supplies used to provide healthcare services for possible or actual COVID-19 patients;
- equipment used to provide healthcare services for possible or actual COVID-19 patients;
- workforce training;
- acquiring additional resources, including equipment, supplies, staffing, and technology to expand or preserve care delivery.

The FAQ provides "important guidance on the scope of COVID-19 related expenses that can support the receipt and retention of monies from the Provider Relief Fund," notes **National Association for Home Care & Hospice** President **William Dombi** in a NAHC listserv message.

"It's the first time HHS has given any clarity" on the definition, says finance expert **Dave Macke** with **VonLehman & Co.** in Fort Wright, Kentucky.

**Dates:** HHS also acknowledges that "providers can use their Provider Relief Fund payment for such expenses incurred on any date, so long as those expenses were attributable to coronavirus and were used to prevent, prepare for, and respond to coronavirus." The agency does say "it would be highly unusual for providers to have incurred eligible expenses prior to January 1, 2020," though.



**Key term:** In another welcome clarification, HHS specifies that "The term 'lost revenues that are attributable to coronavirus' means any revenue that you as a healthcare provider lost due to coronavirus. This may include revenue losses associated with fewer outpatient visits, canceled elective procedures or services, or increased uncompensated care." Presumably that would cover things like patient-refused visits and telehealth visits in home health.

"Providers can use Provider Relief Fund payments to cover any cost that the lost revenue otherwise would have covered, so long as that cost prevents, prepares for, or responds to coronavirus," HHS continues. "Thus, these costs do not need to be specific to providing care for possible or actual coronavirus patients, but the lost revenue that the Provider Relief Fund payment covers must have been lost due to coronavirus."

**Important:** "The fact that revenues have declined does not, by itself, reflect that the revenue decline was COVID-19 PHE related," stresses consulting firm **The Health Group** in Morgantown, West Virginia. "Other facts and circumstances

need to be identified and documented," counsels the firm in its electronic newsletter.

HHS also "encourages the use of funds to cover lost revenue so that providers can respond ... by maintaining healthcare delivery capacity," the new FAQ says. Examples are using the funds to cover payroll, health insurance, rent or mortgage, and electronic health record fees, HHS offers.

**Tip:** "We encourage all providers to read the guidance very carefully and ensure that financial records incorporate, but separately identify, those expenses deemed to validate COVID-19 PHE expenses," The Health Group advises.

Providers also need to keep an eye out for forthcoming clarifications, Macke recommends. HHS is posting new FAQs frequently as details get nailed down.

There are many questions with answers yet to come, notes **Pat Laff** with **Laff Associates** in Hilton Head, South Carolina.

"And where's the reporting form?" Macke asks. HHS requires quarterly reporting to substantiate coronavirus-related costs, with the first due date appearing to be on July 10 for the quarter ended June 30, notes **Baker Ober Health Law**. But the agency has yet to issue the reporting form, Macke notes.

### **HHS Extends Provider Relief Fund Acceptance Deadline By 45 Days**

Meanwhile, on May 22, the **Department of Health and Human Services** announced "a 45-day deadline extension for providers who are receiving payments from the Provider Relief Fund to accept the Terms and Conditions for Provider Relief Fund payments," the agency said in a release. "Providers have now been granted 90 days from the date they received a payment to accept HHS Terms and Conditions or return the funds."

Some providers, including **Encompass Health Corp.**, already have announced they will return the funds. Others are deciding if they meet the criteria and want to do the required reporting.

HHS "is being responsive to [providers'] request for additional time to review and agree to Provider Relief Fund Terms and Conditions," the release maintains.

While a 60- or 90-day extension would have been even better, this measure is very helpful, says **Tom Boyd** with **Simione Healthcare Consulting** in Rohnert Park, California. Many providers are "nervous about the 'kickback' (if any) in the reporting," Boyd tells Hospice Insider. They need further clarifications and assurances before proceeding with accepting the funds and their requirements.

Note: The FAQs, including new questions added on May 29 and June 2, are at [www.hhs.gov/coronavirus/cares-act-provider-relief-fund/faqs](http://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/faqs). More deadline extension information, including a link to the portal for agreeing to the terms and conditions, is at [www.hhs.gov/coronavirus/cares-act-provider-relief-fund](http://www.hhs.gov/coronavirus/cares-act-provider-relief-fund).