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**Sent:** Friday, December 18, 2020 11:59 AM  
**To:** Georgia Maheras <gmaheras@bistatepca.org>  
**Subject:** Bi-State Update: Business Implications Bulletin

Good morning Bi-State Member CEOs and CFOs,

This email contains financial/business-focused information for you all. As you know, Bi-State has been sending COVID-19 bulletins to CEOs and Medical Directors weekly (an archive is found [here](#)). Thank you to all who attended our CFO Peer Meeting (12/17). The notes from this meeting are at the bottom of this email.

Today's PSA: Good news/bad news for vaccine distribution to the states. The federal distribution of the Pfizer vaccine for next week will be less than some states anticipated (see [this NY Times article](#) for the details) - VT has indicated they will get the amount they were anticipating. However, officials have recently approved using the 'extra' dose(s) in the Pfizer vaccine vials for distribution. This means that instead of 5 doses/vial, there may be 6 or 7 (the AP reported that this is because it is standard practice to add 'extra' in vaccines in case of spillage during distribution). In this specific instance, those doses really matter. We are expecting a HAN from VT directing usage of these extra doses and continuing to explain roll out to health care workers – if you haven't talked with your local hospital about your staff, expect a call soon (if you don't hear from them, please let us know). Additional good news is that the FDA is expected to approve the Moderna vaccine today/this weekend. If approved, Moderna vaccines would ship to states next week. For both vaccines, the distribution is based on population of the state compared to others.

Toplines: First Amendment Auditors, NCEs, vOSV documents, and Medicare reimbursement.

Thanks for all that you do and well wishes for a safe, happy holiday season,

Georgia

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## **[GENERAL](#)**

### **Leadership Development Program: Understanding the Financial Impact of Operational Planning in Health Centers**

We invite you to join us on 1/12 and 1/13 for a two-part virtual seminar on health center finance. Curt Degenfelder will serve as faculty to this session. The training flyer is attached to this email.

### **FTCA and Vaccine Coverage**

Several months' ago, HRSA provided a [particularized determination](#), which clarified the range of COVID-19 related activities that the FTCA-covered provider can perform for non-patients. This particularized determination also applies to your coverage for providing the COVID-19 vaccine to individuals who are not patients. The key language in the particularized determination is that the activity must be 'on behalf of the health center' as opposed to another entity.

### **Weekly Health Center Survey**

Each week HRSA ([BPHCAAnswers@hrsa.gov](mailto:BPHCAAnswers@hrsa.gov)) sends an email to the Health Center Project Director that includes a link to the weekly survey. The link for the survey is actually the same every week. Health centers can use that link to quickly access the survey during the open period (Fridays beginning at 5:00 p.m. ET-Tuesdays at 11:59 p.m. ET). *We have not heard of any extensions due to the upcoming federal holidays.*

### **First Amendment Auditors**

We have recently learned that there are incidents at health centers where individuals, self-named 'First Amendment Auditors', indicate they can film in the parking lot as it is federally-funded. Some of these incidents have resulted in edited video, which is damaging to the health centers, being posted on social media. Earlier this week, NACHC distributed the attached memo to PCAs and health centers. We would ask that you not share this memo as NACHC has labeled it confidential. [This webpage](#) from the Municipal Association of South Carolina also has some helpful tips for situations like this.

### **Virtual OSVs**

Thanks to Gifford Health Care and Manchester Health Care for the Homeless for sharing several virtual OSV resources:

- Health Center OSV Standardized Naming Convention and Required Document List
- Supplement for Virtual OSVs
- Tips for Virtual Tours
- Form 5A:
  - Form5acolumndescriptors: attached
  - Form 5A Service Descriptors:  
<https://bphc.hrsa.gov/sites/default/files/bphc/programrequirements/scope/form5aservicedescriptors.pdf>
  - Form5acolumndescriptors cj cheat sheet: attached
  - PIN 2008-01:  
<https://bphc.hrsa.gov/sites/default/files/bphc/programrequirements/pdf/pin2008-01.pdf>
  - Self-Assessment Worksheet for Form 5A Services Provided:  
<https://bphc.hrsa.gov/sites/default/files/bphc/programrequirements/scope/form-5a-self-assessment-review.pdf>
- Blank Compliance Checklist- Contracts and Agreements: attached

## **FEDERAL FUNDING RELATED**

### **Medicare Telehealth Claims Reprocessing**

CMS [released guidance](#) that they will be retrospectively recalculating their cost share for telehealth services to reflect the \$92.03 payment, not the charge rate. The cost share will now be 20% of the lesser of \$92.03 or the actual charges. MACs will automatically reprocess any claims with HCPCS code G2025 for services between 1/27-11/16. Our understanding is that this will result in necessary reprocessing of secondary claims and patient accounts. We recognize how frustrating this will be and appreciate all that you and your billing teams will do to manage this.

### **Medicare Market Basket Adjustment for 2021**

The Medicare Market Basket adjustment increase for 2021 is 1.7%. There will still be geographic adjustments made to specific entities, but that is the anchor figure for the new PPS rates.

### **COVID-19 Vaccine Payments**

CMS released an [Interim Final Rule](#) establishing vaccine-related coverage provisions for Medicare, Medicaid, CHIP, and private insurance. This rule is in effect, but comments are welcome until January 4<sup>th</sup>. Bi-State is currently evaluating this IFR and will submit comments requesting some clarifications and changes. Among the concerning provisions, is that it is unclear whether Medicare will reimburse FQHCs and RHCs at their PPS/AIR rates. Additionally, it appears that Medicare will reimburse off of the cost report, not through claims or other interim payments. We are hopeful clarifying information will be favorable to our concerns.

### **No-Cost Extensions for H8C, H8D, and H8E**

We have learned that some Project Officers are not aware of the process (or even resistant) for no-cost extensions for these funds. Bi-State has submitted a new question to the BPHC's FAQs on this topic suggesting that the BPHC send an email (or publish in the PC Digest) reminding all about the

process for no-cost extensions. The BPHC does have the following FAQ on their website that you can use when engaging with your Grants Management Specialist/Project Officer on this topic:

*Can a health center request a project period extension for coronavirus-related supplemental funding awards if more time is needed to complete previously approved activities under these awards?*

*HRSA awarded one-time COVID-19 (H8C), CARES (H8D), and ECT (H8E) funding, each with a 12-month period of performance. If you need additional time (up to 12 months) to complete your approved project or program-related activities, you must submit a separate Extension Without Funds (no cost extension) prior approval request to HRSA. Extension requests must be made through EHB prior to the project period end date of your award. You may not use this one-time extension to expend unused funds for new or additional project or program-related activities. All extension requests are subject to HRSA approval. Contact your Grants Management Specialist with any additional questions. (Added: 11/25/2020).*

### **HRSA Funding Opportunity: SUD Training Program**

The purpose of this program is to expand the number of nurse practitioners, physician assistants, health service psychologists, and/or social workers trained to provide mental health and substance use disorder services in underserved community-based settings that integrate primary care, mental health, and substance use disorder services. Applications are due February 24, 2021. Learn more about this funding opportunity [here](#). HRSA is hosting a Technical Assistance webinar on Monday, December 21, 2020 from 1:00 to 2:30 pm ET.

[Join the webinar](#)

Dial-in: 800-619-4303 | Passcode: 8731953

### **VERMONT FUNDING RELATED**

#### **Medicaid Retainer Program Documentation**

Entities that received the VT Medicaid Retainer Program Funding were notified that they needed to provide additional information to the State. Bi-State reached out to AHS on this and specifically asked if this documentation would be used to clawback funds. AHS indicated that they were not planning on using the documentation to retroactively take back funding. AHS first focused on getting funding out to entities and decided to request documentation later.

### **CFO MEETING NOTES**

#### **CFO Meeting Call Notes (12/18/2020)**

Georgia Maheras (abbreviated GJM) began the call with a couple key points. Questions pertaining to these points are grouped thematically under the point. Mary Dowes (abbreviated MD), a CPA from BerryDunn joined the call as our regular guest to provide answers from an auditor's perspective.

1. **Medicare Telehealth Claims** – Remember how we got guidance from CMS last spring that when they reimbursed \$92 for Telehealth visits, they would deduct the 20% cost share from what you charged, instead of from the \$92. CMS has determined that this was wrong, so the local MAC will be reprocessing all the claims and sending you money.

Q (FQHC): Will the Medicare telehealth reimbursement change impact what patients had paid? Our patients paid 20% of the charge.

A (FQHC): I saw that it should be the lesser of the two amounts, so the \$92. So it shouldn't have any

impact on patients.

A (MD): It sounds like some of you did the cost share as 20% of the charge and some of you did the cost share as 20% of the \$92. If you did this as 20% of the charge, you will probably need to go through to make credits to patient accounts or refunds.

A (FQHC): This is making a lot more work. Many of these patients are duals or have other secondary insurance, so this will be a lot of processing payments to the secondaries.

A (FQHC): This will also make the FQHC look bad, like we are charging too much for visits, and patients will not trust us.

Q (FQHC): What is this reconciliation?

A (GJM): The total amount was \$92. But your charge might have been \$150. Medicare would have paid you \$92 minus 20% of \$150 (\$62). They are now reconciling this so that they pay you \$92 minus 20% of \$92 (\$73.60). So you will get payment for that difference (\$11.60).

Q (MD): Can you just make the difference a credit on a patient account?

A (FQHCs): There are rules around doing this. And, in most cases, the FQHC need to pass that payment on to a secondary payer.

The FQHCs universally noted that this would make a lot more work, and it would have been nice if CMS had understood the implications of the change in the regulations.

2. **Market Basket Increases** – Medicare has come up with the Market Basket Increase for 2021. The general increase is 1.7% (with slight variations based on geography)

Q: This year it had a Geographic Adjustment Factor GAF with and without 1.0 Work Floor. What does this mean?

A (MD): You want to use the GAF “without 1.0.” You can also prove out which rate it’s going to be when you get your first claims in January.

3. **Medicare Reimbursement for Vaccine Administration** – We do not know whether your Medicare payments for administering the COVID-19 vaccine will be based off a claim or off a cost report. We are working with NACHC and others to figure this out. *See update above on the COVID-19 Vaccine IFR.*
4. **Bi-State Financial Leadership Development Program Session** – Curt Degenfelder will be leading a financial session as part of Bi-State’s Leadership Development Program in January (1/12/21 and 1/13/21). We are opening up this session to others (not just the LDP group).

### **Provider Relief Fund**

Mary Dowes then spoke about the current guidance for the Provider Relief Fund. New FAQs came out on 12/4 and on 12/11. The most concerning one is one from 12/4 about “grants and contributions.”

FAQ: Should providers include fundraising revenues, grants, or donations when determining

patient care revenue?

A: To calculate lost revenues attributable to coronavirus, providers are required to report revenues received from Medicare, Medicaid, commercial insurance, and other sources of patient care services. Other sources include fundraising revenues, grants or donations if they contribute to funding patient care services.

Mary noted that this sounded a lot like FQHC 330 grants and CARES grants (maybe not the Expanded Coronavirus Testing grant, which had a limited purpose). She also noted that this sounded like some of the state-specific funding. The FQHCs agreed that this definition seemed to include those funding sources. Mary noted that the question actually came from a hospice provider which had suffered lost fundraising as a result of COVID-19, but that the implications of this language is very negative for FQHCs and other providers who have received significant grant funding. Mary did note that this definition is part of the calculation for lost revenue, so it is the change that is important (not the entire 330 grant). Georgia reminded everyone that Bi-State is working with NACHC to do everything we can to get changes to this definition of lost revenue, because this seems like it is not in conformance with their need and Congressional intent. Our MOCs are great allies.

### **Provider Relief Fund / Paycheck Protection Program**

MD noted that there is still a gray area around the interplay between the PPP and PRF funds. This is very challenging for all.

### **No Cost Extensions for H8C/D/E**

Q (FQHC): Do we know anything more about NCEs for H8C/D/E? Should we be involving our Grants Management Specialist? Our PO was very perturbed when we asked.

A (Kate Simmons): The Project Officers are not in this space yet. Bi-State has elevated the question. Generally NCEs must be requested ~2 months before the grant end date.

A (MD): I'd involve GMS sooner rather than later. It must be done before the end of the grant period, it can't be retroactive.

A (GJM): HRSA posted the following FAQ on 11/25/2020:

FAQ: Can a health center request a project period extension for coronavirus-related supplemental funding awards if more time is needed to complete previously approved activities under these awards?

A: HRSA awarded one-time COVID-19 (H8C), CARES (H8D), and ECT (H8E) funding, each with a 12-month period of performance. If you need additional time (up to 12 months) to complete your approved project or program-related activities, you must submit a separate Extension Without Funds (no cost extension) prior approval request to HRSA. Extension requests must be made through [HRSA's Electronic Handbooks](#) prior to the project period end date of your award. You may not use this one-time extension to expend unused funds for new or additional project or program-related activities. All extension requests are subject to HRSA approval. Contact your Grants Management Specialist with any additional questions. (added 11/25/2020)

### **VT Medicaid Retainer Payments**

Q (FQHC): What do we know about the Medicaid retainer payments? I worry they'll recoup the money.

A (GJM): We reached out to folks at Medicaid and AHS, and it didn't sound like they were changing

the rules. I will connect with Helen and report back to the VT folks on this one. *See update above.*

### **OSVs and SACs**

Q (FQHC): We were supposed to have a 2021 OSV, should we expect it in 2021 or in 2022 (our SAC will be due in 2022)?

A (Kate Simmons): HRSA is currently scheduling a bunch of FQHCs for 2021 OSVs. They will be virtual through at least June. I would guess that if you haven't been contacted, you will not be scheduled, but I am not 100% positive. They have a large backlog.

A (FQHC): At our recent vOSV HRSA piloted an OSV process focused on documentation review and cutting out the interviews. With this model, there would be no way to defend ourselves and no way to get TA. I provided feedback that this would be a significant loss.

### **Q (MD): Is there any talk of extending SACs?**

A (Kate Simmons): They have not said this.

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**Mask Up!**



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