

**From:** [Georgia Maheras](#)  
**To:** [Georgia Maheras](#)  
**Subject:** Bi-State Business Implications Bulletin  
**Date:** Thursday, June 4, 2020 7:08:34 PM

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Dear CFOs and CEOs,

This email contains financial/business-focused information. As you know, Bi-State has also been sending COVID-19 bulletins to CEOs and Medical Directors for the past couple months (archive of past bulletins can be found [here](#)).

Thank you to all the CFOs and CEOs who have been attending our CFO drop-in meetings. We have discussed the Paycheck Protection Program (**update below**), the HHS Provider Relief funding, ECT Budgeting, and several other topics. We are grateful that Mary Dowes, CPA (Senior Manager and BerryDunn) has been on the line to provide some great analysis. Notes from the meetings on 5/22/2020 and 5/29/2020 are included at the bottom of this bulletin. We plan to hold these meetings every other week moving forward (e.g., next meeting on 6/12/2020).

Bi-State has developed a few resources to track the state and federal funding/business resources. This [powerpoint](#) is a summary of the federal funding released to-date. This [summary](#) and this [table](#) provide both federal and state-specific information. These are google docs and they will always have the most up-to-date information we can find.

Toplines include: New HHS FAQs related to the provider relief fund, state use of federal funds, Paycheck Protection Program extension, and vacation guidance. Finally, things change, so we encourage you to click the links for updated guidance (some Bi-State staff have embraced the change and are now in the acceptance phase: all guidance is final, until it changes). Speaking of change, *beginning on 6/9, we will be extending the CEO Drop In meetings by 15 minutes to accommodate the need for state-specific GRC discussion.*

Today's PSA: With reopening comes the chance of an outbreak. As we learn more about COVID-19 and continue to reopen business sectors, our states will be experiencing (hopefully limited) outbreaks. When these outbreaks occur, like the one in Winooski, VT, you may be asked to provide support to the health authorities to help limit cases in that hot spot. Thanks for jumping in to help in these unpredictable situations.

Thanks for all that you do and please let us know if you have any questions or comments,  
Georgia

## **GENERAL**

### **Vacation/Travel Guidance**

Health centers have been working to develop guidelines/policies to cover staff vacation/travel with regards to COVID-19 Exposure. Thanks to Greater Seacoast and The Health Center for their examples, which can be found [here](#) and [here](#), respectively.

Vermont Policy: VT released a [new HAN](#) on 6/3 about individuals who have been out of the state for over 24 hours. This HAN does not address *essential workers*. Bi-State is still working with the other provider associations to get clarity/flexibility for essential workers. We don't have that yet.

New Hampshire Policy: DHHS has shared [this guidance](#) for anyone traveling outside of NH. Today, DHSS reiterated the guidance, which requires quarantine for 14 days: "Any persons traveling internationally (including Canada), on public conveyances outside of NH, VT, or ME, or on a cruise, should quarantine for 14 days after return, which is consistent with CDC guidance. Occupational Medicine and businesses should screen staff for such travel before returning to work. Other domestic travel risk can be assessed by Occupational Medicine on a case-by-case basis."

### **Human Resources Office Hours - Leading During a Crisis: HR Leaders Responding to COVID-19**

An upcoming NACHC webinar presents an opportunity to hear from one health center HR director who will discuss COVID-19's impact in his area from a HR perspective, the health center's response, and what HR challenges are anticipated as the state begins to recover and reopen. This webinar will be on Tuesday, June 9<sup>th</sup> at 2:00-3:00 p.m. ET. [Join the day of the session.](#)

### **Podcast: Strategies to Manage Financial Operations During COVID-19 Response and Recovery**

NACHC is podcasting too! NACHC is producing a [five-part podcast series](#) to help health centers manage their fiscal solvency during COVID-19 response and recovery. Podcast topics include: managing your health center's cash flow, paycheck protection, provider relief funding, grants management, and staffing. The first two sessions are available now:

- Podcast 1: Staffing Considerations
- Podcast 2: Provider Relief Fund, CARES Act, Paycheck Protection Program and Health Care Enhancement Act

### **Podcast: Policy in Plainer English**

But, the best podcasts are policy ones. Check out [Policy in Plainer English](#) (or subscribe to it on the usual podcast sources) for our own Helen Labun's Season Two telehealth series.

Available telehealth podcasts include:

- Telehealth Reimbursement & COVID-19
- Telehealth and the Telephone

- Telehealth and the Telephone Epilogue – CCM
- Broadband for Telehealth
- Telehealth Reimbursement & COVID-19 Part Two
- Teledentistry
- Telehealth and Provider Consultations

Season One is all about value-based care.

### **FEDERAL FUNDING RELATED:**

#### **Paycheck Protection Program Extension**

Last night the Senate approved an extension to the PPP and it is now headed to the President for signature. H.R. 7010, [found here](#), offers the following flexibilities:

- It extends the performance period from 8 weeks to 24 weeks.
- It reduces the payroll percentage to 60% from 75% so there is greater flexibility to use the funds for the same list of operating expenses that are in the current guidance.
- There are new exceptions to limitations on forgiveness if you are unable to rehire or restore business by the end of the year.
- The deferral period (no payments) is extended from six months to one year (unless you don't apply for forgiveness in which case payments start 10 months after the end of the performance period).

The SBA will be unpacking this new legislation and releasing updated guidance soon (including a provision to let you use the old guidance if you want). Please reach out to your auditor/commercial lender/financial advisor with questions.

#### **HHS Provider Relief Fund – *UPDATED FAQs - please review***

The CARES Act includes a \$100 billion provider relief fund (and Stimulus #3.5 added \$75B to this fund). On the 5/29 CFO call we talked about the terms and conditions for these funds and the need to calculate your lost revenue to demonstrate that you needed all of the funds you were given. Since then, HHS released new FAQs, [found here](#), that have additional guidance around calculating this lost revenue. The new guidance is *different* and means that the lost revenue calculation we discussed on the 5/29 call is no longer accurate. We encourage you to reach out to your trusted financial advisor regarding this new guidance.

#### **Expanding Capacity for Coronavirus Testing (aka “ECT” or “H8E” for FQHCs and LALs)**

Expanding Capacity for Coronavirus Testing funds were released to FQHCs on 5/7/2020 to support necessary expenses to purchase, administer, and expand capacity for testing to monitor and suppress COVID-19 through in-scope activities. Unless you have an extension from your Project Officer, the Activity Overview and Budget Narrative should be submitted on Friday 6/5/2020 by 8 PM (as EHB will be closed for maintenance over the week).

#### **Using HRSA Funds for Minor Alterations and Renovations (A/R)**

HRSA has permitted health centers to use funding from H8D (up to \$500,000) and funding from H8E (aka ECT, up to \$150,000) to be spent on “minor A/R.” A health center that would like to spend funds in this manner can do so for one or more in-scope sites and would need to submit a detailed budget narrative, the environmental information and documentation checklist, schematics and/or floor plans, and the “Other Requirements for Sites” form. The total cost for each site-specific project must be less than \$500,000 (excluding the cost of moveable equipment). A health center theoretically can combine funds from H8D and H8E (ECT) into a single project (though on the Q&A webinar, HRSA called a proposal of this sort “challenging”), provided the project supports the health center’s testing strategy (which is a requirement of the H8E/ECT funds) and provided that the total cost of the project is still less than \$500,000 (otherwise it is no longer “minor”). The [recording](#) of the ECT Q&A webinar answers several questions about minor A/R, starting at minute 47.

### **HRSA Progress Reports – Due 7/10/2020**

HRSA has released more information on the quarterly progress reports, which will be due for each of the separate funding streams, starting in July. The information can be found in the [HRSA’s Coronavirus-Related Funding FAQs](#). Some favorites are included below.

Q: Do health centers need to submit a separate progress report for each coronavirus-related funding award (H8C, H8D, and H8E)?

A: Yes. The CARES Act legislation created new reporting requirements for all enacted and subsequent coronavirus-related emergency supplemental appropriations. Each round of coronavirus-related funding requires awardees to submit a **separate quarterly progress report** that provides status updates on the implementation of the proposed activities supported with the funding, any changes to the initially identified activities, and any issues or barriers to the implementation of the activities. Awardees will submit quarterly progress reports until all activities to be supported with the funding are completed and all funds are drawn down.

*(Added: 6/1/2020)*

Q: When will the first progress reports be due, and what will be the quarterly reporting cycle?

A: The first progress reports will be available for awardees starting July 1, 2020, and will have a submission **due date of July 10, 2020**. The quarterly reporting cycle will continue with further progress reports starting October 1, 2020, January 1, 2021, and April 1, 2021.

*(Added: 6/1/2020)*

Q: What level of detail will health centers need to provide in the progress reports?

A: You will provide the following information through the progress reports:

- An overall status update with percentage of activities completed.
- Narrative updates on the activities that have been completed, are in progress, and/or

are planned, under the following applicable categories:

- Staff and patient safety
- Testing
- Maintaining or increasing health center capacity and staffing levels
- Telehealth
- Minor alteration/renovation activities (when applicable – only for H8D and H8E awards)
- Changes to activities from what you submitted to HRSA in the initial post-award reporting requirement response.
- Issues or barriers in the use of the funding and/or implementing the planned activities.

*(Added: 6/1/2020)*

### **Allowable Expenses Per Funding Source**

NACHC has created a spreadsheet ([here](#)) with many of the most common federal funding sources and their terms and conditions. It will be updated as further guidance is released on the funding sources listed.

### **“Employee Retention Credits” Conflict with PPP**

On the CFO call on 5/29 we had some discussion about the IRS Employee Retention Credit program. There was a question about whether an organization could pursue this IRS tax credit and also the Paycheck Protection Program. The following FAQ indicates no –these two programs are mutually exclusive.

Q: May an Eligible Employer that receives a Paycheck Protection Program (PPP) loan receive the Employee Retention Credit?

A: No. An employer may not receive the Employee Retention Credit if the employer receives a PPP loan that is authorized under the CARES Act. An Eligible Employer that receives a PPP loan, regardless of the date of the loan, cannot claim the Employee Retention Credit. More FAQs of this sort can be found [here](#).

### **NEW HAMPSHIRE- GENERAL RESOURCES:**

#### **General NH COVID-19 Business Resources:**

COVID-19 NH business resources can be found [here](#). Information about your insurance coverage, unemployment insurance, loans, etc. are all on this page.

#### **NH Reopening**

NH is on an “eight-week reopening plan”, which is being led by the Reopening Task Force. The state has begun releasing guidance for health care providers (and others) about reopening. Information can be found [here](#). Guidance to businesses about this plan is found [here](#).

### **NEW HAMPSHIRE-FUNDING RESOURCES:**

### **NH Non-Profit Response Fund**

[The NH Non-Profit Response Fund](#) (a partnership of the Community Development Finance Authority, the Business Finance Authority, and the NH Center for Non-Profits) has opened up an opportunity for NH non-profits. Requests for funds should cover no more than 90 days of expenditures and may be used for working capital, equipment purchases, program expenses, etc. Eligible organizations may apply for \$2,500 to \$100,000 in loan funds. The loan term is up to 24 months, with the first payment due 6 months after closing. A portion of the request may be forgiven, the forgiven portion will be outlined in the commitment letter. Interest for loans will be 0% for the first 12 months and convert to 2.75% in the 13th month. Loans will accrue simple interest at a rate of 2.75% for months 13 through payoff of the loan. There will be no prepayment penalty. Applications may be submitted through CDFA's online application site (<https://resources.nhcdfa.org>). Funds will be released on a rolling basis as funds are raised, continuing throughout the outbreak and recovery phases of the crisis.

### **GOFERR Non-Profit Pool (out of the State's federal stimulus funds)**

This funding source is currently being developed. It is possible that the funds will be available to health care non-profits, but that is not clear as of this writing.

### **Stabilization Payment Request to NH DHHS**

Medicaid stabilization funds will flow through MCO contracts over the next few months. All entities eligible for the Medicaid stabilization payments aka Medicaid directed payments should have received a letter from NH DHHS via USPS detailing the amount each entity is entitled to. There are steps that the health care organization must take in order to receive payments from the MCOs. Please contact Kristine Stoddard if you have not received your notice or if you have any questions.

### **NH Health Care System Relief Fund – still open**

Organizations must make clear in your application the impact of the COVID-19 has had on your finances, how it affects your ability to provide services, and what the impact will be to your patients and your community if you do not receive financial assistance. Providers can download an application for the COVID-19 Emergency Healthcare System Relief Fund at <https://www.dhhs.nh.gov/documents/covid19-relief-fund-app.docx>. Applications should be submitted by email to [healthcarerelieffund@dhhs.nh.gov](mailto:healthcarerelieffund@dhhs.nh.gov).

### **VERMONT-GENERAL BUSINESS:**

#### **FQHCs serving as testing sites**

On the 6/3 CMO call, there was discussion about the latest information from VDH regarding when and how an FQHC can serve as a testing site. As part of its ongoing pandemic response, VDH has updated guidance for FQHCs who wish to serve as testing sites:

- In general, VDH is encouraging FQHCs to continue to work with Kelly Dougherty

to establish permanent testing sites (let Georgia know if you are interested and haven't been connected to Kelly). These sites would be managed by the FQHCs and tests will be sent to UVMCC or other labs, but not the state lab.

- VDH is decommissioning some of the earlier established testing sites (including three hosted by FQHCs) that were put in place to ensure sufficient geographic distribution of testing sites at the beginning of the Public Health Emergency.
- VDH is monitoring COVID-19 cases (as always) and may set up new testing sites in targeted locations if a hot spot is found. These testing sites would be managed by VDH and tests would go to the state lab.

### **Reopening**

Vermont's plans for reopening include weekly updates to the phased reopening approach. ACCD includes the [latest guidance](#) on sector-specific reopening, including links that may be helpful to you.

### **Health Care Provider Reopening Testing Protocol Requirement**

Dr. Levine has indicated that VDH is requesting that health care providers that are reopening/open develop a staff testing protocol. At this time, there is no formal requirement to submit this plan to the State.

### **DVHA Enrollment and Eligibility: Special Enrollment Period Extended through 6/15/2020**

Due to the COVID-19 Emergency, Vermont is facilitating initial and continuous health care enrollment by:

- Temporarily waiving financial verifications required for those seeking to enroll in health insurance;
- Extending Medicaid coverage periods (meaning DVHA is not processing the annual "reviews" that could result in loss of Medicaid) until after the emergency ends;
- Not ending Medicaid coverage during the Emergency period unless the customer requests it;
- Temporarily waiving Dr. Dynasaur premiums, beginning with the April bills for the premium due in May;
- Offering a Special Enrollment Period for those who do not currently have health insurance to enroll in a qualified health plan and receive premium and cost-sharing assistance, if eligible. (Eligible Vermonters can continue to apply for, and enroll in, Medicaid at any time). This Special Enrollment Period is currently open through June 15, 2020.

### **PPE Surveys – ongoing**

Thank you to all of you who have completed the PPE Burn Rate survey and sent them to Georgia! For those of you who have not yet submitted your responses to Georgia, please use the attached table to input your information so she can submit it to the SEOC.

### **VERMONT-FUNDING:**

As was discussed during the CEO call on 6/2, the Scott Administration and Legislature are working together to define a way to use the State's federal funding to support the health care sector. Helen will be reaching out to Vermont members following up on this.

### **MEETING NOTES:**

#### **CFO Meeting Call Notes (5/22/2020)**

Georgia Maheras (abbreviated GJM) began the call by calling attention to a few key points:

1. Georgia shared the [webpage](#) for HHS's provider relief fund landing page. This new, favorite webpage tells what money was allocated and to whom, and it has all of the attestation links. Health providers will need to submit financial info, etc., and attest for each of the funding streams. The next attestation deadline is 6/3/2020. *(Deadline has since been extended by 45 days.)*
2. The ECT (H8E) Activity Report and Budget is due SATURDAY 6/6/2020. EHB will be down for maintenance after 8 PM on Friday 6/5/2020. HRSA is not changing the deadline. This means that health centers must submit the activity report and budget no later than Friday 6/5/2020 (or have received a deadline extension in advance from their Project Officer).
3. For the ECT (H8E) funding, you can subcontract with another organization (like your local hospital) to give them some of this testing money.
4. Each state received funding for the state COVID response. They are now beginning to release their plans for these dollars. The first wave of this funding has a limited amount of funding for health care sector. Both states plan to allocate some of this funding for non-profits, which might be helpful to you. In Vermont, the Governor's plans still need legislative approval, so this will take longer. The plans for these funds in both states will be complicated and will roll out slowly. Bi-State will be tracking and sharing information as we have it. Thank you for your patience.

Mary Dowes (abbreviated MD) of BerryDunn was also on the call to provide an auditor's perspective.

The discussion opened up into a Q&A, which are grouped thematically, below

#### **Expanded Capacity for Coronavirus (ECT) Funding**

Q: We received a lot of ECT funding, and I am struggling to develop a budget for it. Can we use these funds to pay for staff?

A (FQHC): We are making this assumption. We are assuming a start of testing out in the future b/c we are not currently doing testing.

A (Tess Kuenning): In the call with Jim Macrae we learned that there are some health centers nationally that are turning down these dollars. Jim asks that health centers please don't return the funding and reminds the health centers that it is for 12 months. You can also consider subgranting the dollars to whatever entity is providing testing in your community. Also, remember that the budget you will be submitting on 6/5 needs to pass the "reasonableness" test, but it is a budget, and HRSA will understand the need for later adjustments.

A (FQHC): On the HRSA Q&A call they also said that you would be permitted to do a one-time NCE for an additional 12 months. But your initial budget is for just the initial 12 months.

A (FQHC): HRSA said that they want your best guess, and they are open to understanding that there will be adjustments. You will likely have to demonstrate the FTE breakdown for the employees you are charging to the grant. This was something that was requested after our original submission.

A (GJM): Testing expectations in our states will likely increase. The CDC is recommending that each state test 2% of its population each month.

### **HHS Provider Relief Fund Attestations**

Q (FQHC): I did attestations for all three of the HHS funds, but I didn't see anywhere anything about submitting additional information.

A (FQHC): I've gone through that process, and all they are asking for is revenue loss for March and April, and an uploaded 990. I have support for the revenue loss, but there is no place to upload this support.

A (FQHC): *shared screen of the HHS [webpage](#) and scrolled down to show the "General Distribution Portal" links.*

Q (FQHC): Do I have to go into each separate HHS allotment to upload the attestations?

A (FQHC): You can do it all at once, you'll see each of the separate lines.

Q (FQHC): I got a notice today that we had to re-attest to round #2 again b/c we had attested prior to their systems being set up. Has anyone else had to do this?

A (GJM): Remember that not all the emails are going to you, so you will want to make sure staff are forwarding any communications.

### **Quarterly Reporting Requirements**

Q (FQHC): What is the quarterly report they will want?

A (GJM): There will be several sets of reports, quarterly through EHB and also reports for the HHS funding.

A (Kate Simmons): HRSA will be asking for quarterly progress reports related to the COVID-19 supplemental funding, starting in July (*date has since been announced and discussed above*). The reports will be streamlined, and questions will tie back to funding intents:

- Staff and Patient Safety (What activities have you taken to address staff and patient safety?)
- Testing (What have you been undertaking with respect to testing?)

- Maintaining/Increasing Capacity (How have you been using the resources in H8C and H8D to maintain/increase capacity?)
- Telehealth (How have you been able to utilize telehealth to address impact of COVID-19?)
- Minor A/R (Did you use funding for minor A/R?)

Health centers will have to do a separate quarterly report for each of these three supplemental funding streams. All of these funding streams have different activity codes. There will be a lot of scrutiny on these funds from grants mgmt and program mgmt standpoint. These reports are designed to support your success in withstanding the scrutiny.

A (MD): There is not much information available on the HHS Provider Relief reporting.

Q (FQHC): Can you talk more about the \$150K threshold for the HHS Provider Relief Fund?

A (GJM): All NH/VT health centers have now exceeded this threshold and will need to submit report and attestations for the funds.

### **Paycheck Protection Program**

The conversation turned to the Paycheck Protection Program. A few FQHCs noted that they had already received their application forms for loan forgiveness. The application did not seem too onerous. One FQHC noted that they believed that they would receive 100% forgiveness. A different FQHC noted that ADP provided some good reporting tools.

Mary Dowes provided information that there is some forgiveness available even if the employer does not bring employee counts up to pre-COVID levels if the furloughed employees choose not to come back or request a reduction in hours, or are fired for cause (*this has been augmented with the new PPP extension passed on 6/3*). In the meeting “chat” Mary Dowes wrote, that there is:

Key new guidance related to PPP loan forgiveness (for a detailed understanding of the new guidance, we suggest you read the SBA form forgiveness instructions):

- FTEs are based on a 40-hour week, rounded down to the nearest tenth of an hour.
- For administrative purposes, borrowers with a bi-weekly or more frequent payroll can use the first day of the first pay period following disbursement.
- There are several exceptions to the FTE reduction – offer to rehire that was declined, someone fired for cause, someone who voluntarily resigned, someone who requested and received a reduction in their hours.

The PPP FAQs can be found here <https://home.treasury.gov/system/files/136/Paycheck-Protection-Program-Frequently-Asked-Questions.pdf>.

Q (FQHC): Is there additional guidance for health insurance expense forgiveness?

A (GJM): Yes, health insurance is allowable. The appropriation for PPP is not subject to the

abortion limitation (per a FTLF webinar on 5/21).

Another FQHC noted that for PPP forgiveness the FTE is 40 hours (not 30 hours as it was in the original application). The FTE is limited to 1.0 (so it doesn't count overtime).

Q (FQHC): Can PPP be used for a hazard pay stipend?

A (MD): Yes, but you would want to have organizational policies/procedures.

A (GJM): We at Bi-State haven't seen any template P&P yet. Does anyone have one to share?

One FQHC noted that "we had concern with using the term "hazard" and with legal advice used "incentive". Another FQHC noted, "we're calling it a Public Health Emergency stipend."

## **Telehealth**

Georgia announced that Bi-State is working to bring one-on-one telehealth TA to all of our members. Our hope is to provide you with customized revenue strategic planning.

Helen Labun provided a five minute summary on current telehealth status and encouraged anyone with any questions to reach out to [her](#). She also reminded everyone of Bi-State's Telehealth Updates [webpage](#), which is kept current for Medicare and Vermont and includes implementation resources. Another resource is Vermont's 2x/week telehealth office hours (Wednesdays 12-1 and Thursdays 8-9; while these are hosted by VT, Helen says that much of the content would be equally applicable to NH. For more information, look [here](#).) Kristine Stoddard is working with NETRC to establish a comparable NH-based offering. Also, Helen noted the telehealth podcast series she has developed (thank you Northern Counties Health Care for sponsoring!), available [here](#) and at the usual podcast sites. Georgia concluded by noting that although this is a tremendous amount of resources, Bi-State realized it was not enough to help you think strategically for the future, which is why we are doing the one-on-one consulting sessions because we know that there are different payer mixes, different populations, and different needs.

Q (FQHC): Has anyone applied for the NETC FCC grant?

A (GJM): CHCB applied and received an award. The FCC still has about 75% of the funds available and are making announcements each week.

LRHC and NOTCH both indicated that they were planning to apply. Helen shared a useful [summary](#) of telehealth funding programs.

## **Other**

Q (FQHC): How many folks are working from home vs office?

A (FQHC): we are about 60/40 in house/remote.

A (FQHC): we are about 66/33 in house/remote.

Q (FQHC): How far were your April gross revenues down from prior years?

A (FQHC): We were down by 50%.

A (FQHC): We were down by less than that, but we don't have dental.

A (FQHC): We were down by 20-25% (also no dental).

Georgia concluded the call by reminding everyone:

- to attest to your federal funds using the HHS link by 6/3; (*Deadline has since been extended by 45 days*);
- submit your budget/activity overview on 6/5 8 PM (before EHB goes down); and
- look for the telehealth consulting opportunity from Bi-State soon.

Bi-State will send out VT dental guidance to VT members as soon as we receive it.

### **CFO Meeting Call Notes (5/29/2020)**

Georgia Maheras (abbreviated GJM) began the call by calling attention to a couple key points:

- The HRSA provider relief website (aka Georgia's favorite website) has been reformatted. The new format is excellent. You can find it [here](#).
- The June 3<sup>rd</sup> deadline for attestation has been extended; now you have an extra 45 days.

Mary Dowes (abbreviated MD) of BerryDunn was also on the call to provide an auditor's perspective.

The discussion opened up into a Q&A, which are grouped thematically, below

#### **HHS Provider Relief Fund**

Q (FQHC): Will we get any more money?

A (GJM): Yes... but there is no information yet about how much, when, or formula. Out of CARES 2 (stimulus 3.5) there is an additional \$75B in this provider relief fund.

A (MD): A Maine FQHC reported a new HHS distribution this week, so this might have been part of that distribution. (*Update: these funds have not been released yet*).

Q (FQHC): There has been some discussion about payments to Medicaid providers, where does that fit in?

A (GJM): There is an undistributed portion of the initial \$100M (\$20-\$25B unallocated). Some will go to the uninsured claims portal. The remainder is to be distributed to dentists and providers who solely take Medicaid. The formula is unknown.

A (FQHC): And this is different from the Medicaid Retainer Payments?

A (GJM): Yes, this is all federal money.

### **Paycheck Protection Program (PPP)**

Q (FQHC): It looks like we will be able to draw down far less PPP funding than we had hoped. How is everyone else doing?

A (GJM): The SBA continues to release guidance to the commercial lenders about the program and your obligations. More information keeps coming out. There is some hope that there will be some Congressional action to extend the timeframe. The House has approved a bill to extend the time period, but given the contentiousness in Washington DC, it should not be assumed that the extension will occur. It is something to hope for but not to plan for. (*Update: this extension passed 6/3*).

A (FQHC): We had strategically laid out all the buckets of funding on a whiteboard. We applied for a fraction of what we could have applied for. One of our biggest expenses that we can't allocate from grants is health insurance, and we can only allocate this to PPP.

A (GJM): Last week Bi-State participated in a FTLF webinar on the PPP. FTLF said that we could use PPP funds for health insurance benefits that include abortion.

Q (FQHC): The IRS has "COVID-19 related employee retention credits." It looks like we can use these funds to continue to pay insurance for furloughed employees. This needs to be filed with quarterly returns. It sounds like you can recoup up to \$10K per employee.

A (GJM): Bi-State had previously shared a business bulletin that included a hyperlink to that funding. There is more info about the terms and conditions (*Update: this information is provided above*). This is not the EFLMA program (from stimulus #2); it is something different. According to the FAQ, an employer does not qualify for this program if they have received a PPP loan (see [Q78](#)).

A (MD): You may be correct that health plan costs can be included in the "qualified wages" under the retention credit - see [IRS FAQs](#) on this topic.

Q (FQHC): Can I pay for enhanced retirement contributions under the PPP?

A (MD): Retirement contributions are an allowable expense under the PPP. As long as your plan allows for discretionary contributions and the timing works, you can do this if you choose to.

A (FQHC): We've also been told that enhanced retirement fund contributions can be made from PPP funds.

Q (FQHC): If I accrue for those costs even if I don't write the check until after the 8-week period, is that okay?

A (MD): If your process is to pay after each payroll and the last payment is after the PPP ends, the accrued cost is allowable. If your contributions are quarterly or annually, the lag time is pretty long and your auditor may have concerns.

## **Budgeting**

Q (FQHC): We are starting to work on our budget and we are struggling with what data to use for revenue projections. How are others doing this?

A (FQHC): We were very conservative. We are anticipating each provider will do 25% telehealth. We assumed 75% of pre-COVID revenue for that 75% of time. We also budgeted 2 weeks of no revenue (in case we have to close doors because of a future outbreak). For dental, we assumed no patients seen until Q3 and we assumed 20 days of additional dental shut down (assuming it is the first that will be shut down).

A (FQHC): We will be recommending to the BOD for our Sept 1 budget that we too take a very conservative approach and create our approved budget, then have a true operational budget based on rolling averages, modeling our variable costs in somewhat real time.

## **NH MCO Stabilization Funding / VT Medicaid Retainer Program**

Q (FQHC - NH): For the NH Medicaid Stabilization Payments, how will these funds be treated as far as tracking and reporting?

A (Kristine Stoddard): We haven't seen the letter you'll be receiving. We think you'll be receiving a payment from each MCO each month. This will be "attached to a previous encounter." It is not meant to be repaid. It is unclear whether you will have to track it. The intention of the payments is to help "ensure access to health care services for Medicaid enrollees by supporting providers and helping them remain operational during the crisis."

A (Helen Labun): In VT, the DVHA Retainer Program #1 (March-early April) was structured as a loan; Bi-State has requested its conversion to a grant; but no decision has been made on that point. DVHA Retainer Program #2 (late-April-present) is a payment of the difference between historic Medicaid payments and your actuals. There is an opt-in process. Bi-State is still trying to get answers to the question on dental cost accounting.

Q (FQHC-VT): Has Bi-State reached out to DVHA to determine if there were restrictions on how the DVHA Retainer payments could be used? Will they request a report at any point on what we will use these funds to pay for?

A (Helen Labun): Bi-State has asked some follow-up questions, but have not asked this question as the philosophy behind these payments does not link them with expenses. Bi-State will ask DVHA to clarify this point. Details of retainer payments can be found [here](#) and FAQs [here](#).

Q (FQHC – VT): Do we recognize the revenue when we receive it, or does it go into a deferred account and we only recognize when we earn it?

A (MD): This would be dependent on the terms of the money. If there are restrictions on the use, it would be deferred revenue.

A (GJM): For each state's stabilization dollars, Bi-State will try to find out as much information as we can. We have specifically requested that both states minimize the burden for reporting.

A (Kristine Stoddard): NH FQHCs will need to send a completed W9 form to all three MCOs. You will also need to send a cover letter with your TIN. These instructions will be in the letter you receive.

### **Hazard/Hero Pay/PH Emergency Stipend**

Mary Dowes clarified that this is an allowable cost under all of the funding streams. You do need to make sure you have policies and procedures that define the pay, who gets it, what are the caps, etc. Policies can be retroactive, but you must make sure your policy matches your practice.

### **Expanded Capacity for Coronavirus Testing (ECT or H8E) Funds:**

Q (FQHC): How are folks budgeting for your ECT (H8E) testing funds?

A (FQHC): We did an allocation for MA, LPN, etc. time; testing supplies; employee testing expenses.

A (FQHC): We did an FTE at each site for "COVID nurse of the day." We also allocated some to testing supplies, PPE. We put in for some equipment, vaccine cubes for each site, and an IT placeholder.

A (FQHC): We put in for a mobile van, staffing, negative pressure rooms.

A (FQHC): We're doing something similar with staffing, but we're looking to do a renovation to the lobby for separation of incoming and outgoing patients as well as separating presumed positive patients.

Kate Simmons reminded everyone to submit the budget and activity overviews before 8 PM on 6/5 (before EHB goes down) or to get an extension from your PO. She also noted that health centers would be able to re-budget under HRSA's general re-budgeting guidelines.

Georgia concluded the CFO call by reminding everyone of an upcoming opportunity that has nothing directly to do with COVID-19. Bi-State will be hosting a virtual training on 6/16 on strategic partnerships. The first half of the day is for health centers and community partners. The second half of the day will be just for FQHC participants and will serve as an office hour with the FTLF experts. Bi-State will send out more details on the agenda very soon.

Georgia J. Maheras, Esq.  
Vice President of Policy and Strategy  
Bi-State Primary Care Association

[gmaheras@bistatepca.org](mailto:gmaheras@bistatepca.org)

802-229-0002 ext. 218

857-234-5171 (cell)