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To: [Georgia Maheras](#)
Subject: Bi-State Business Implications Bulletin
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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 numerous topics, including telehealth reimbursement, changes in the reporting deadlines for the HHS Provider Relief Fund (PRF), AHS and DHHS funding, and other topics. Mary Dowes, CPA was on the call to provide an auditor's perspective. Notes from the meeting on 7/24/2020 are included at the bottom of this bulletin. We are not currently planning an August meeting, but we are holding time, and ask that you do the same, on August 21st in case HHS releases the additional guidance they have indicated may be available on or around 8/17/2020.

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: HHS delayed the reporting deadline for PRF funds – it is 2/15/2021, AHS released guidance for the state CARES Act fund, **NEW NH Funding Opportunity**, and the Medicare telehealth copay is... complex. Things change, so we encourage you to click the links for updated guidance or to reach out to us with any questions.

Today's PSA: National, New Hampshire, and Vermont Public Health Emergencies are still in effect and will be for some time, which means we are still in pandemic rules. At some point this will change and we will be back to regular rules. We realize that being in pandemic rule time can cause confusion so please reach out with questions – that is what we are here for!

Thanks for all that you do,
Georgia

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

GENERAL

Weekly Health Center Survey

Each week HRSA (BPHCAnswers@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).

CMS Resuming Audits 8/3

CMS paused audits in March due to COVID-19. They are resuming them on 8/3. These [FAQs](#) provide additional background on this topic.

FEDERAL FUNDING RELATED:

Provider Relief Fund Information

On 7/20/2020 HHS released a "[General and Targeted Distribution Post-Payment Notice of Reporting Requirements](#)." This document provides information on the reporting schedule for HHS Provider Relief Fund distributions: The reporting system will open on 10/1/2020, with reports for CY2020 due by 2/15/2021). If recipients fully spend down funds in CY2020, they will need to complete only one report. Recipients with funds unexpended by 12/31/2020 will need to complete a second and final report no later than 7/31/2021. The document also presages detailed reporting instructions to be made available on the HRSA website on or before 8/17/2020.

COVID-19 Uninsured Claims Portal

FQHCs and other providers should be billing the HRSA uninsured portal reimbursement for conducting COVID-19 testing or providing treatment for uninsured individuals with a COVID-19 diagnosis. Health Center Program requirements include an obligation under section 330(k)(3)(F) for health centers to make "every reasonable effort to collect appropriate reimbursement for its costs in providing health services" from potential payors (see also [[Chapter 16: Billings and Collection](#), Health Center Compliance Manual]). Health Centers are also required to provide financial and budget information relating to nongrant fund program income. These requirements do not impact a health center's eligibility to submit reimbursement claims to the Uninsured Program.

In accordance with the requirements of the Uninsured Program, in order to seek reimbursement, a health center must agree to the following as attested at registration:

- You will accept defined program reimbursement as payment in full.
- You agree not to balance bill the patient.

Paycheck Protection Program

The SBA continues to release guidance around the forgiveness component of this program on a regular basis. Check out this [website](#) for more details.

New Markets Tax Credit Allocation Awards Announced: Capital Fund Receives \$50 Million

On July 15th, the U.S. Department of the Treasury's Community Development Financial Institutions Fund [announced the awardees](#) for New Markets Tax Credits, intended to stimulate investment and economic growth in low-income urban and rural communities. The Capital Fund received a \$50 million award, one of 76 Community Development Entities (CDEs) to receive awards nationwide. This award will enable Capital Fund to increase lending to health centers seeking to finance facilities and operational growth to better serve their communities and expand access to care. If your health center needs additional funding for an upcoming expansion or renovation project, Capital Fund may be able to help.

Capital Fund supports the growth and development of community-based health centers serving low-income and uninsured populations by providing capital structured to meet health centers' needs. Capital Fund offers direct loans tailored for the health center industry and provides New Markets Tax Credit financing. Capital Fund is the lending affiliate of [Capital Link](#), an industry leader in community health center technical assistance. For more information, visit www.chc-capitalfund.org.

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 Medicaid

Open enrollment for Medicaid Managed Care: Open enrollment is 8/1/2020-8/31/2020. If a member chooses to change their MCO during the open enrollment, coverage by the new plan is effective September 1, 2020. If a member chooses to stay with the current MCO, no action is needed during the open enrollment, and coverage will continue with the current plan.

There are three Health Plans to choose from: (1) AmeriHealth Caritas New Hampshire, (2) NH Healthy Families, and (3) Well Sense Health Plan. If Medicaid Managed Care plan members have questions or would like more information, contact the Medicaid Service Center at 1-888-901-4999 (TDD Access: 1-800-735-2964), Monday through Friday, 8:00 to 4:00 p.m. ET. The open enrollment letter can be found [here](#) and FAQs can be found [here](#).

Medicaid for Employed Adults with Disabilities (MEAD): Governor Sununu's [Executive Order #59](#) temporarily modifies DHHS rules and statutes, waiving the requirement for DHHS to establish and collect premiums for the MEAD program, effective March 1, 2020 and to resume billing the month following the termination month of the National Public Health Emergency. Requirements around a "wet signature" were also waived.

NEW HAMPSHIRE-FUNDING RESOURCES:

NH CARES Act Allocations

A review of federal COVID-19 funds allocated in NH, as of 7/2020, is available [here](#).

NH Health Care System Relief Fund – NEW FUNDING AVAILABLE

The Governor announced a 3rd round of funding for health care providers (\$16M) that is available to ALL health care providers. Applications are available now on the GOFERR website: <https://www.goferr.nh.gov/covid-expenditures/healthcare-system-relief-fund>. Applications must be submitted through the web portal by the deadline of August 13, 2020. These will be grants.

VERMONT-GENERAL RESOURCES:

Unemployment Insurance

ICYMI: If you are a business that reimburses UI for your unemployment claims, you will be obligated to pay the full amount due and a credit will be placed on your account at a later date to reflect the rate discount implemented during COVID-19. [VT's UI Manual](#) addresses the reimbursement payment option on p.23 of the .pdf. The UI FAQ is:

Q: If I am forced to lay off or furlough staff because my business has reduced hours or closed temporarily as a result of the pandemic, will I be relieved of charges to my unemployment insurance experience rating record?

A: Your account will be relieved of charges associated with any employee that you either bring back to work when it is safe to do so, or to whom you offer their job back when it is safe to do so, even if they choose not to return to your employment.

Medicaid Cost Reports

DVHA has confirmed that FQHCs no longer need to complete the Medicaid version of the cost report, as long as they continue to supply their Medicare cost reports on a regular basis. This will give DVHA sufficient information for 1) monitoring, 2) change in scope, and 3) future project work. Cost settled Dental Practice and Pharmacy providers will still be required to fill out the Medicaid form as it provides information pertinent to the cost settlement process.

Commercial Insurers Resuming Routine Audits:

The Department of Financial Regulation has determined that commercial insurers can now resume routine audits. There is agreement that these should be targeted to areas where payers have reason to believe something is going wrong, and there should be flexibility in timing and deadlines. Please let Helen Labun / DFR know if you run into problems in this regard. [Here is the official order.](#)

VT Broadband Access Request Form

The VT Department of Public Service (DPS) is collecting information on which addresses can benefit from broadband. If you have patients **or providers** that do not have broadband and need it to access telehealth services, a way of indicating this need is for them to fill out the DPS survey/request (<https://publicservice.vermont.gov/content/interactive-broadband-map>).

Telehealth Bootcamp

With the pandemic we went from having very little good, accessible information about how to implement telehealth to having almost too much information. Bi-State has built a "Telehealth Bootcamp" - a quick(ish) introduction to telehealth and the most important resources available at <https://televermont.atavist.com/telehealth-bootcamp>.

VERMONT-FUNDING:

VT Health Provider Stabilization Funding (CARES Act Relief Funds) – Application due 8/15/2020 – NEW information around PRF Funding

\$275 million was approved in the Health Provider Stabilization Fund. The allocations will be distributed through a grant process with determinations focused on immediate financial need and unavailability of federal funding sources to meet that need. On 7/28/2020 AHS posted some additional [guidance](#) to assist in your application for Health Provider Stabilization Funding. Since then, Bi-State has learned that AHS has made the internal decision that they will not change the application – providers need to report the full amount of any federal funds received and providers will not be able to prorate the submission. AHS will internally prorate those numbers from March – December for consistency across all providers. You should review the guidance regarding how to account for financial assistance received to date, and then submit any need for clarification *as soon as possible* in the provided form ([linked here](#)). Good luck with your applications, due 8/15/2020, for the first round of this funding.

MEETING NOTES:

CFO Meeting Call Notes (7/24/2020)

Georgia Maheras (abbreviated GJM) began the call with three key points.

1. Good news on the HHS Provider Relief fund! HHS released information on reporting obligations. The first report will not be due until around 2/15/2021 and this will be a report on your expenditures for all of 2020. If you are unable to expend all dollars by 12/2020, your second reports will be due on July 31, 2021. HHS has promised more guidance on or around 8/17/2020.
2. There is bad news on CMS reimbursement for telehealth. The way CMS is treating the

copayments for the telehealth visits is that the 20% is being calculated off of the PPS rate, and not off of the \$92. This means that if you have a PPS rate of \$160, the patient cost share would be \$32 and CMS would therefore reimburse the health center at \$60 ($\$92 - \$32 = \60). CMS has confirmed to Bi-State that this is not a mistake and has explicitly spelled out these calculations. Bi-State has reached out to NACHC. You can also choose to waive the patient co-pays.

3. In VT, AHS has released their application for CARES Act funding, which will be due in mid-August. There are terms and conditions. For example, if you were in a 2020 VBP model (i.e., OneCare VT), you are expected to be in a VBP model in 2021. Also, earlier this year the VT Blueprint for Health overpaid some VT practices, but they have recently confirmed that they will not be recouping those payments.

Mary Dowes (from BerryDunn, abbreviated MD) added that HHS has confirmed that the HHS Provider Relief Fund payments are subject to audit under Uniform Guidance. For-profit organizations will also need to have an audit of these awards.

The meeting then launched into a Q&A session, with the questions grouped thematically below.

VT AHS Funding

Q (MD): Is this new round of AHS funding (for which applications are currently open) different from that first round of money?

A (GJM): This is actually the third round. The first two rounds were Medicaid focused; this one is all-payer. The second one (that was launched in late April) was a grant. The first one (that was launched in early April) might have been a loan (which hasn't been clarified).

Q (MD): Is there a 10% repayment?

A (Helen Labun): 10% is at risk, but the FQHCs will almost assuredly meet the criteria. (This was to ensure no catastrophic business disruptions.)

Q (VT FQHC): We still have not "realized" the HHS money in our financial statements b/c we don't really know how. I don't know that we can apply for the first round of VT AHS money b/c it has the same parameters. And we can't know what our losses are b/c we haven't realized the HHS money. The HHS money is sitting on our financial statements as a liability. But we need detailed expenses to draw it down or losses that we can document.

A (Helen Labun): We have asked for guidance from VT AHS on how it will instruct providers to take the federal grants, including the HHS Provider Relief Fund dollars, into account for any VT AHS distributions. However, VT AHS has information on which providers have received HHS Provider Relief Fund dollars and how much they have received, so it is possible that VT AHS will perform their own calculations, and it may not be important how and when each organization determines how it will realize these dollars. [Update: additional information from AHS is provided above].

Q (VT FQHC): But we need to have the HHS guidance (which we won't get until 8/17/2020) to apply for the VT AHS funding (and that application is due in mid-August).

A (Helen Labun): We need to wait until VT AHS releases its guidance to understand this piece. It is possible that VT AHS will decide to count all of these awards, including the HHS Provider Relief Fund dollars, as lump sums, and that it won't matter how individual organizations choose to reconcile the dollars in their own books.

A (GJM): We have asked VT AHS for this guidance, and we have asked them to give you the

maximum flexibility, explained to them that your federal dollars are intended to last a long time. But despite those arguments, that may not be their ultimate decision, and we need to await their guidance to understand where they have landed.

Q (FQHC): Has there been updated guidance of reporting requirements for the VT Medicaid retainer payments?

A (Helen Labun): There has not been an update on the Medicaid retainer reporting. Bi-State is still working on getting additional information from DVHA/AHS.

HHS Provider Relief Fund

Q (FQHC): When we got the first HHS payment, we calculated our pre-COVID average net patient service revenue per day, and then we calculated our during-COVID average net patient service revenue per day, and we took that difference and multiplied it by the number of business days in the month. We did not include any grant funding coming in against this. In your perception, does that methodology still hold, Mary?

A (MD): This is definitely a topic I want to circle back to Mary Jalbert (also at BerryDunn) on. That methodology is reasonable, but HHS provided further clarification in a FAQ that is now tied to cost. Additional information will come out on 8/17/2020.

[Update 7/30 from MD: The FAQs (see attached) provide conflicting guidance related to the use of the PRF to cover lost revenues. On one FAQ states (page 9 of the attached PDF – downloaded today) “HHS encourages the use of funds to cover lost revenue so that providers can respond to the coronavirus public health emergency by maintaining healthcare delivery capacity.” Another FAQ states (page 7) “Per the Terms and Conditions, all recipients will be required to submit documents to substantiate that these funds were used for increased healthcare-related expenses or lost revenue attributable to coronavirus, and that those expenses or **losses were not reimbursed from other sources and other sources were not obligated to reimburse them.**” So organizations need to look to see if they got other funding such as contributions to supplant the losses in revenues due to COVID. The PPP poses a significant challenge with organizations being able to recognize the PRF. With the PPP originally being only for 8 weeks, it was suggested organizations utilize the PPP first. Now that the PPP has been extended to 24 weeks, some organizations are reversing their approach and are utilizing the PRF to cover lost revenues first then utilizing the PPP through the end of the 24 week period (this is 6 months and for most goes through October). We are hoping the reporting instructions that are to be issued before 8/17 will provide more insight into this matter.]

Q (FQHC): We drew down some HHS Provider Relief Fund dollars last month, but I’m worried about showing a net income.

A (MD): That is definitely a challenge. The PPP came out in April, and that time we didn’t know that there would be HHS Provider Relief Fund dollars. Perhaps HHS didn’t expect that health care providers to apply and qualify for the PPP. If you had not received PPP funding, it would be easier to document expenses to draw down HHS Provider Relief Fund dollars. With all of the HRSA grants, HRSA will allow a NCE at the end of the project period, and that will extend the use of those funds for another 12 months, so you may want to plan to use those dollars a little bit later.

Paycheck Protection Program

Q (FQHC): We haven’t recognized PPP revenue because we don’t for sure know it will be forgiven. So

that is still on our books as a loan and isn't even affecting our bottom line yet. How are other health centers handling this?

A (FQHC): We recognized it with a hefty reserve against it. But we'll need to resolve what we do at fiscal year end.

A (FQHC): We were advised to keep the PPP on the books as a liability until it is forgiven.

A (MD): Mary Jalbert and I are working on a flowchart with decision points about how to recognize the PPP

[Update 7/30: This flow chart is still under development.]

Other – School Reopening

Q (VT FQHC): It would be very helpful to get something from VDH on how to approach triage for kids with symptoms. Also, can you share the current school reopening information?

A (GJM/Helen Labun): W will provide that feedback to VDH. The most recent presentation on VT K-12 School Reopening from 7/23 is [here](#).

CFO Peer Group Planning

Bi-State's Jim Zibailo then spoke about BPHC's goal of accelerating the delivery of value-based care, and as a PCA, one of the activities we have selected to address this goal is to design and implement a CFO peer group. Our current CFO peer meetings are working really well, but we also want to be intentional about the design of the CFO peer group that will meet your needs post-COVID-19.

(CFOs, CEOs, and others who are reading these notes and who did not attend the 7/24/2020 CFO meeting are welcome to send their thoughts on a CFO peer group to Jim Zibailo jzibailo@bistatepca.org)

Georgia concluded the call by noting that we would be taking the month of August off. But, if HHS guidance is released on 8/17, we will put a meeting on the calendar for 8/21.

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