A photograph of three business professionals in a modern office setting. A woman with curly hair is on the left, a man in a suit is in the center, and a woman with short grey hair is on the right. They are all looking towards the right side of the frame. The man is holding a pen and a small potted plant. A laptop and a coffee cup are on the table in front of them. The background shows large windows and office furniture.

# Federal Audit Update - HRSA COVID Funds, Provider Relief Funds, and Testing for the Uninsured

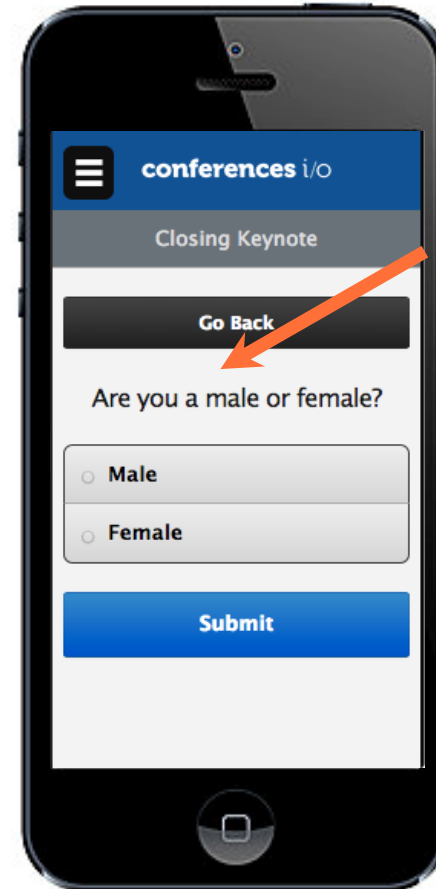
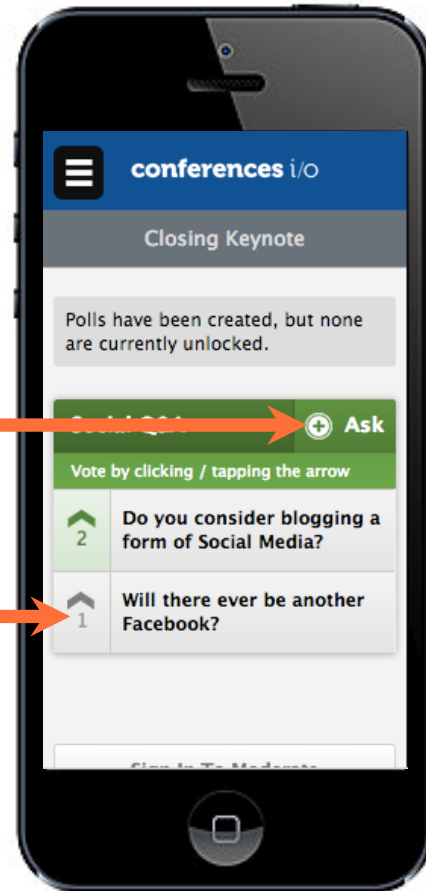
FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office

**FORV/S**

# In-Person Participants

**Give us  
Feedback**

**Up-Vote a  
Comment**



**Click on  
question and  
then  
Respond to  
Polls when  
they appear**

**Vote / Give Feedback/ Respond to Polls**

# Virtual Participants

## Chat

(use to talk with peers)



## Polling/Q&A

(participate in polls, ask questions to faculty)



The screenshot displays a virtual meeting interface with several components:

- Chat Window:** Located on the left, it shows a list of participants and their messages. The messages include: "Brian Long Hey James H, III", "James Hecker Hi!!! Hey Buddy!!!", "Laura Wiggins:!! Confirming - the 'Workbook' is under the Resources tab, titled 'Alcon Precision, Inc\_WER100321\_Workbook'", "CMT Greenberg Start at the end: identify the goal, then the key winning points, outline & drink more coffee", and "Laura Wiggins:!! 'word vomit'... writing stream of consciousness then editing it down. Or start with a bullet list of thoughts then expand it to sentences.".
- Polling Window:** Also on the left, it displays a poll titled "#1.) What is your biggest business writing challenge? (NO RIGHT ANSWER - OPEN QUESTION)". The results are shown as a bar chart: "Concision" (45%), "Grammar and/or Types" (20%), "Content Structure" (16%), "Tone" (16%), and "Other" (0%).
- Video Feed:** The central part of the interface shows a video of a man in a suit and white shirt.
- Slide:** On the right, a presentation slide titled "UDS Reporting: Preparing, Doing, and Utilizing" is displayed. The slide features a colorful graphic of a heart and the text "Cultivating Health Center Operations" and "CURIS".
- Footer:** The bottom of the interface includes a navigation bar with links for "Session", "Support", "Profile", "Options", and "Windows".

# Introductions



**Catherine Gilpin, CPA**

**Managing Director**

**Catherine.Gilpin@FOVIS.COM**

# Agenda

1. The Federal Audit of the Present / Grants Management – HRSA COVID Funds
2. Provider Relief Funds
3. HRSA Testing for the Uninsured

\*Financial Statement Audit Best Practices throughout discussion



# From Pauper to Prince

- When COVID hit in March 2020, it was estimated that 25% of the nation's CHCs had less than 30 days cash on hand
  - Big concern was that any prolonged shutdown would take down many CHCs
  - Then the stimulus dollars hit...
- H8C, H8D, and H8E / L8E (LALs)
  - \$100 million (03-20) , \$1.3 billion (04-20), \$583 million (05-20) / \$17.2 million (07-20)
- H8F Grant Funds – largest single investment in CHC program history
  - Nationally - CHCs received close to \$6.1 billion in H8F funds to support 1,377 HCs
    - ARP UDS+ - \$89 million to support 1,354 Health Centers

# From Pauper to Prince

- Current days cash on hand (national averages)
  - 2021 – 155.4
  - 2020 – 130.0
  - 2019 – 101.0
  - 2018 – 102.4
- If managed properly, cash should not be a problem for the next 2-3 years
- How you handle this time period is crucial for the future of your health center
  - Sustainable
  - Strategic

# From Pauper to Prince

- Every decision made in the health center has a financial consequence to that decision – sometimes those consequences are not fully seen for years
  - Stimulus funding didn't fix operational problems, provider productivity, revenue cycle breakdowns, non-sustainable sites, provider compensation review, cost analysis, etc.
- Health Center Industry – Competition, payer shifts (Managed Care, VBC/R, PPS changes, Telehealth), aging population, 340B challenges, etc.
- Investments in infrastructure – Grants management, finance, IT
  - Automation, GL system upgrades, human resources, etc.
  - Finance = Cost center??? – NO – We generate savings, increase bottom line



# The Federal Audit of the ~~Future~~ Present

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# Current Grants Management Environment and Oversight

## How will a health center know who to contact when they have questions about their grant?



As we transition to this new organizational design, BPHC will notify health center leaders and their respective Primary Care Association. This notice will come from staff in one of our two new offices. It will include the new BPHC points of contact by grant award and designation (i.e., H80 or Look-Alike) type. BPHC points of contact will also reach out to health centers for an introductory call. (Please note: HRSA Grants Management Specialists (GMS) are not part of this transition.)

Below are the BPHC points of contact by grant award and designation type to use once your health center has transitioned:

- H80s/Look-Alikes: H80/Look-Alike Project Officer email
- COVID-19 funding (H8C-F, C8E, L1C, L2C and H2C): Supplemental Project Officer email
- National Hypertension Control Initiative, Primary Care HIV Prevention, School-Based Service Sites supplemental awards: [BPHC Contact Form](#) 
- Native Hawaiian funding (H1C): H1C Project Officer email

In addition, we are conducting a Point of Contact pilot to expand the use of the [BPHC Contact Form](#)  as:

- The hub for health center interaction with BPHC, and
- A way for specialized teams to perform shared program monitoring and funding oversight.

*(Added: 12/6/2021)*

# The Federal Audit of the Future Present



DEPARTMENT OF HEALTH AND HUMAN SERVICES

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**OFFICE OF INSPECTOR GENERAL**



August 2, 2021

Report Number: A-01-21-12345

Dear Mr. Health Center:

The U.S. Department of Health and Human Services (HHS), Office of Inspector General (OIG) is conducting an audit of COVID-19 supplemental grant funding awarded to health centers by the Health Resources and Services Administration (HRSA). The objective of our audit is to determine whether health centers in selected counties used their COVID-19 supplemental grant funding in accordance with Federal requirements and grant terms.

To accomplish our objective, we will review COVID-19 supplemental grant funds awarded by HRSA to health centers during Federal fiscal year (FY) 2020 to prevent, prepare for, and respond to COVID-19. These grant funds include (1) FY 2020 Coronavirus Supplemental Funding for Health Centers (H8C), (2) Health Center Coronavirus Aid, Relief, and Economic Security Act Funding (H8D), and (3) FY 2020 Expanding Capacity for Coronavirus Testing Funding (H8E). We selected for review a random sample of health centers that received

along those

selected for review.

OFFICE OF AUDIT SERVICES, REGION II  
JACOB K. JAVITS FEDERAL BUILDING  
26 FEDERAL PLAZA, ROOM 3900  
NEW YORK, NY 10278

Additional audits  
performed in July 2022

# The Federal Audit of the Future Present – COVID Awards

1. A detailed list of expenditures claimed for each COVID-19 supplemental grant, including a summary showing total amount charged to each of these grants: H8C, H8D and H8E. Please provide separate Excel spreadsheets for each grant and include references to the supporting documentation provided, e.g., file name and specific page number (if a file contains more than 10 pages).
2. A comparison schedule for HRSA-approved budget, actual expenditures incurred, and COVID-19 supplemental funds drawn down.
3. Health center's policy on paying salaries under unexpected or extraordinary circumstances, if applicable.

# The Federal Audit of the Future Present – COVID Awards

## 3. Health center's policy on paying salaries under unexpected or extraordinary circumstances, if applicable.

### CHC – Policy for Paying Salaries Under Unexpected or Extraordinary Circumstances:

It is the policy of **Sample CHC** to provide additional compensation in the form of premium pay to employees as deemed appropriate under unexpected or extraordinary circumstances. The decision to award premium pay (in a lump sum or over a specified period of time) will be made at the discretion of the Board of Directors based on the facts and circumstances at the time. When awarded, premium pay will be subject to all regular tax and payroll withholdings.

Examples of the types of circumstances considered unexpected or extraordinary under this policy might include (but are not limited) to the following:

- During declaration(s) of a public health or other type of emergency
- When impacted by a natural and man-made disaster(s)
- Other circumstances identified as unexpected or extraordinary by the Health Center's Board of Directors

### Allocability to Federal Awards:

Costs of compensation are allowable to be allocated to federal awards to the extent that they satisfy the specific requirements listed in the UGG and that the total compensation for employees:

- Is reasonable and conforms to written policies of the non-federal entity
- Is consistently applied to both federal and non-federal activities

**Sample CHC** will charge compensation for employees engaged in work on federal awards consistently between federal and non-federal activities if applicable.

The compensation policies of **Sample CHC** in no way align with the level of federal funding provided to support the CHC or other federal policy.

# The Federal Audit of the Future Present – COVID Awards

4. Total number of employees/contractors that the health center had at the beginning and at the end of each year: 2019, 2020 and 2021, including a description of any issues or barriers that the health center faced in maintaining its staffing levels during the pandemic, if applicable.
5. A schedule of staff/contractors whose salaries were charged to COVID-19 supplemental grants. Please use this template to create the schedule, if possible.
6. For all employees/contractors, whose salaries were charged to COVID-19 supplemental grants, please provide the following:
  - a. Professional licenses, if applicable.
  - b. For contractors, please provide a copy of the executed contract with detailed terms and conditions, including invoices/billing records and proof of payment.
  - c. Time and attendance records, if maintained.
  - d. Documentation showing time spent working on COVID-19 supplemental grants, including supervisor's approval, if applicable.
  - e. Payroll register/summary (please provide this in excel format showing all the relevant data elements such as employee name, payroll ID, gross pay amount, pay-period, payroll date etc.).
  - f. If employee salaries or contractor costs were charged to multiple funding sources (e.g., H8D, H80, etc.), provide documentation (in Excel format) showing salary allocations to all funding sources, if available.
7. For employees who were hired using COVID-19 supplemental grant funds, please provide a copy of the personnel action form and position description.

# The Federal Audit of the Future Present – COVID Awards

A	B	C	D	E	F	G	H	I	J	K
CIN: A-02-21-02005										
Audit: Health Resources and Services Administration's COVID-19 Supplemental Funding for Health Centers										
Please provide the following details for all individuals whose salaries were charged to COVID-19 Supplemental Grant Funding (Item 5 on OIG's document request list)										
Name	Employee/Contractor? (Enter "E" for employee and "C" for Contractor)	Job Title	Hire Date	Annual Base Salary Amount for 2020	Annual Base Salary Amount for 2021	Fringe Benefit Rate for 2020	Fringe Benefit Rate for 2021	Total Salary and Fringe Paid for 2020	Total Salary and Fringe Paid for 2021	Total Salary and Fringe Amount Charged to COVID-19 Grants
Example: Jane Doe	E	Nurse	6/1/2019	\$ 65,000.00	\$ 68,000.00	20%	22%	\$ 78,000.00	\$ 82,960.00	\$ 9,100.00
Example: Jane Doe (If worked on more than one COVID-19 grants)										\$ 43,253.00

M	N	O	P	Q	R	S	T	U	V
				NEW - Version S3-09					
Date Range when Salary and Fringe Allocated to COVID-19 Grants?	H8C Effort %?	H8D Effort %?	H8E Effort %?	Justification for Effort %	Received Hazard/Premium Pay? (Yes or No)	Total Hazard/Premium Pay/Bonus Amount?	Which Grant Was the Total Hazard/Premium Pay/Bonus Allocated to ? (H8C, H8D or H8E)	Date Range when Hazard/Premium Pay was effective?	Brief Justification for Hazard/Premium Pay
3/1/2020 - 9/30/2020	20%			Based on budgeted amount (see file XX)					
10/1/2020 - 5/31/2021		80%		Based on actual time working on the grant (see file XX for time-and-effort records)					

# Compensation – Personal Services – 75.430

- Section I: Standards for Documentation of Personnel Expenses
  - Comply with established organization policies & procedures
  - “Charges to federal awards for salaries & wages **must be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable & properly allocated**”
  - “Reasonably reflect the total activity for which the employee is compensated by the non-federal entity; not exceeding 100% of compensated activities”
  - “Support the distribution of the employee’s salary or wages among specific activities or cost objectives if the employee works on more than one federal award”
  - “**Budget estimates alone do not qualify as support for charges to federal awards**, but may be used for interim accounting purposes” if they are a reasonable approximation, significant deviations are identified & corrected timely & the internal control process review after-the-fact interim charges & make the necessary adjustments for accuracy”

# Time & Effort Reporting Options

- Personnel Activity Reports (PARS) / Time Sheet

- After the fact: Based on Practice Management data?, Hours

- Actual & not budget

- Total activity

- Certified as accurate: Employee or supervisor with firsthand knowledge

- Prepared monthly

- Coincide with at least one pay period

- Employee Certifications

# PARs Practical Example

Employee Time Distribution Report for Work/Non-Work Hours															
FORVIS Community Health Center 900 E. St. Louis St. Springfield, MO 65801							Employee Name: Catherine Gilpin								
Pay Period:															
1st Week							2nd Week								
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total
<b>Summary of Work Hours</b>															
<b>Direct Program/Grant/Contract Activities*</b>															
330 Grant		10			8				10			8			36
IBHS			8	8		1				8	8		1		34
SUD															0
Quality															0
Fundraising / Lobbying						2							2		4
<b>Indirect Activities**</b>										3					3
<b>Subtotal</b>	0	10	8	8	8	3	0	0	10	11	8	8	3	0	77
<b>Summary of Non-Work Hours - Release Time</b>															
Annual Leave		8	8	8	8	15									47
Sick Leave															0
Holiday															0
Other***															0
<b>Subtotal</b>	0	8	8	8	8	15	0	0	0	0	0	0	0	0	47
<b>Total</b>	0	18	16	16	16	18	0	0	10	11	8	8	3	0	124
I certify that the distribution of effort shown represents the actual work performed by me during the period covered by this report.															
Employee Signature _____				Date: _____		Supervisor Signature _____				Date: _____					

# PARs Practical Example

## Notes:

\* "Projects" must be specifically identified to the actual program worked with name/title/code, etc. Note that "fundraising" is considered a direct activity.

\*\* Indirect - can be used to allocate wage to the indirect cost pool.

\*\*\* "Other" could include other types of leave. If so, they must be identified here or detailed in the organization's cost policy statement.

## For Accounting Purposes Only:

Gross Wages      \$ 2,500.00

### Allocations to project:

	Direct	Leave	Total Hrs	% Allocation	Wage Allocations
330 Grant	36.00	21.97	57.97	47%	\$ 1,168.83
IBHS	34.00	20.75	54.75	44%	1,103.90
SUD	-	-	-	0%	-
Quality	-	-	-	0%	-
Fundraising / Lobbying	4.00	2.44	6.44	5%	129.87
Indirect Activities**	3.00	1.83	4.83	4%	97.40
Total	77.00	47.00	124.00	100%	\$ 2,500.00

8. Please provide a schedule of purchases that were allocated to COVID-19 supplemental grants, including a brief description of use. For each purchase, please provide all relevant copies of supporting documents such as purchase order, invoice, and proof of payment (i.e. cancelled check, bank statement showing the payment amount or other documents that clearly show a payment was made for said purchase and the payment date). Also, if applicable please provide the following:

- a. Bidding documents.
- b. A copy of the fully executed contract with detailed terms and conditions.
- c. For tangible items costing \$5,000 or more, please provide a photograph of the item in service.
- d. Inventory list for laptops/tablets (iPads)/computers purchased with COVID-19 supplemental grants, including funding source (i.e., H8C, H8D or H8E), purchase date, purchase price, amount charged to grant, serial number, tag number, assigned user (name and job title), and current location.

9. Please provide all relevant supporting documentations for any other expenditures that were charged to COVID-19 supplemental grants, including the following:

- a. Description and justification of the activity.
- b. Date, cost and the grant the cost was allocated to (H8C, H8D or H8E).
- c. Invoice/copy of executed service contract.
- e. Proof of payment (i.e. cancelled check, bank statement showing the payment amount or other documents that clearly show a payment was made for said purchase/service including the payment date).
- f. Training materials/brochures/Sign-in-sheets, call-logs and training certificates, if applicable.

# Procurement Methods

Methods of Procurement:					
	Micro Purchases	Small Purchases	Sealed Bids	Competitive Proposals	Sole Source
<b>Qualifications</b>	Up to \$10,000*	Up to \$250,000**	> \$250,000**	> \$250,000**	All dollar amounts
<b>Price Quotes</b>	Not required	Written, verbal, vendor price listing, internet search acceptable	Firm fixed price contract	Fixed price or cost reimbursement	Item is only available from a single source
<b>Cost / Price Analysis</b>	Not required	Not required	Required	Required	Public emergency does not permit delay
<b>Equitable Distribution</b>	Distribute purchases equitably amount suppliers	Quotes from an adequate number of sources (2 or more)	Bids are publicly solicited (2 or more bidders)	Solicit proposals from and adequate number of sources (2 or more)	Competition inadequate – solicitation from one source
<b>Selection</b>	Dictated by HC policy	Dictated by HC policy	Conform to HC terms & conditions at lowest price	Firm whose proposal is most advantageous based on price & written evaluation factors	Authorized by agency or PTE
<b>Other</b>	Threshold applies to aggregate purchase cost per purchase	Relatively simple and informal	Preferred for construction contracts	Used when conditions are not appropriate for sealed bids	May use if written request to HHS or pass-through entity is approved

\*See micro-purchase threshold at FAR 2.101 - \$10,000 as of 06/2018 \*\*See Simplified Acquisition Threshold at FAR 2.101 - \$250,000 as of 06/2018

# Equipment Records

- Property management standards for equipment include all of the following:
  - Description
  - Serial # or identification #
  - **Source including award #**
  - Whether title vests in recipient or feds
  - Acquisition date
  - **Federal share percentage (cost of item)**
  - Physical location & condition & date of update
  - Acquisition cost
  - Ultimate disposition data including date of disposal, sale price or method used to determine current FMV where recipient compensates HHS for its share
- Notice of Federal Interest – HC Requirement to file – What is this?

# Notice of Federal Interest

## Reporting Requirement(s)

### 1. **Due Date: Within 90 Days of Project End Date**

Within 90 days after the project end date, submit the SF-428 (Tangible Personal Property Report) with the SF-428B (Final Report Attachment) and, if applicable, the SF-428S (Supplemental Sheet). These documents must be completed using the HRSA Electronic Handbooks (EHBs). You must report federally-owned property, acquired equipment with an acquisition cost of \$5,000 or more for which HRSA has reserved the right to transfer title, and residual unused supplies with total aggregate fair market value exceeding \$5,000. Records for equipment acquired with federal funds shall be retained for three years after final disposal.

- 10.** General ledger transactions and/or journal entries for draw downs and expenditures of COVID-19 grant funds, including bank statements that contained COVID-19 grant funding drawdowns and expenditures as of now or the date by which your health center finished spending COVID-19 supplemental grants funding, please highlight the relevant amount.
- 11.** Please provide a list of individuals that the health center performed COVID-19 screening tests through May 31, 2021, with the following data elements: test recipient's patient ID, date of test performed, and service location.
- 12.** Please provide a list of individuals that the health center administered COVID-19 vaccines through May 31, 2021, with the following data elements: vaccine recipient's patient ID, date of vaccine administered, and service location.
- 13.** If applicable, please provide a list of patients who received treatment for COVID-19 through May 31, 2021, with the following data elements: patient ID, date of treatment visit, and service location.
- 14.** 2019, 2020 and 2021 Uniform Data System (UDS) Reports.
- 15.** If applicable, please provide a copy of the health center's indirect rate agreement with HHS that covers years 2020 and 2021. If there is no indirect rate agreement in place, please indicate the rate that the health center allocates to Federal awards.
- 16.** Please provide a copy of the income statement for the years ended in: 2018, 2019, 2020, and 2021. Please indicate whether the income statement provided is audited.

# Provider Relief Funds Audit Update

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**FORV/S**

# Summary of PRF Dates to Remember

Period	Payment Received Period (Payments Exceeding \$10,000 in Aggregate Received)	Deadline to Use Funds	Reporting Time Period
Period 1	April 10, 2020 to June 30, 2020	June 30, 2021	July 1, 2021 to September 30, 2021
Period 2	July 1, 2020 to December 31, 2020	December 31, 2021	January 1, 2022 to March 31, 2022
Period 3	January 1, 2021 to June 30, 2021	June 30, 2022	July 1, 2022 to September 30, 2022
Period 4	July 1, 2021 to December 31, 2021	December 31, 2022	January 1, 2023 to March 31, 2023

# Provider Relief Fund Update

- Provider Relief Funds
  - Constantly changing guidance
- Phase 4 Considerations
  - › Think strategically and plan now for March 2023 reporting deadline (phase 4 and ARP Ruural distribution for CHCs)
  - Lost Revenue or expenses through December 31, 2022 (including carryforward)
  - Direct or Incremental COVID expenses
- When in doubt, call the helpline!

# HRSA Provider Relief Fund Audits



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Resources and Services  
Administration

Rockville, MD 20857  
Provider Relief Bureau

June 6, 2022

FORVIS Community Health Center  
123 Main Street  
Springfield, Missouri, 65801

Subject: Lost Revenues Assessment Notification: FORVIS Community Health Center, 2022-PRB-LR-04

Dear FORVIS Community Health Center

This letter is to notify you that the Health Resources and Services Administration (HRSA) has selected FORVIS Community Health Center for a Lost Revenues Assessment. The Lost Revenues Assessment will be conducted to help ensure appropriated taxpayer dollars were spent in accordance with the mission and objective of the Provider Relief Fund (PRF) program.

The PRF appropriated funds under the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), the Paycheck Protection Program and Health Care Enhancement (PPPHCE) Act (P.L. 116-139), the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (P.L. 116-260), and the America Rescue Plan (ARP) Act (P.L. 117-2) to reimburse FORVIS Community Health Center and other eligible health care providers for health care-related expenses or lost revenues attributable to COVID-19.

# Lost Revenue Audit



**Subject: Lost Revenues Assessment Request for Information: FORVIS Community Health Center**

Dear FORVIS Community Health Center,

This letter is to request information and documentation as stated in the Lost Revenues Notification sent to your entity from the Health Resources and Services Administration (HRSA) dated June 6, 2022, related to the PRF Lost Revenues Assessment which will be conducted by Guidehouse LLC on behalf of HRSA.

The assessment will be conducted between June and July 2022, commencing with virtual interviews to gain an understanding of the overall revenue recognition and Provider Relief Fund (PRF) reporting process for FORVIS Community Health Center.

Upon receipt of the requested information stated in this letter, we will review the submissions and reach out to you with any questions or clarifications. We anticipate continued communication throughout the duration of the assessment. We will discuss the results of the assessment with your team upon completion of our assessment which will give you an opportunity to clarify any discrepancies noted.

The objectives of the Lost Revenues Assessment are to:

- Determine whether the PRF payments reimbursed for lost revenues have been used in accordance with Terms and Conditions (T&Cs),
- Confirm that funds were used for lost revenues attributable to coronavirus or COVID-19,
- Determine whether lost revenues reimbursed by the PRF were reimbursed from other sources,
- Determine if lost revenues were calculated using a reasonable and consistent approach during the period of availability.

# Lost Revenue Audit

To meet the objectives of the assessment, Guidehouse LLC requests the following data and documentation to support lost revenues reported to HRSA during reporting period 1:

- General ledger detail for period under assessment including data dictionary and source data for the following revenue types if applicable:
  - Medicare Part A+B+C and Medicaid/Children's Health Insurance Program revenues/net charges.
  - Commercial insurance billed patient services.
  - Self-pay billed patient services.
- Chart of accounts
- Cost Reports or projected cost report for periods under assessment that would reconcile to the lost revenues in the PRF reporting portal.
- Summary of reimbursements received from HRSA for the coronavirus treatment, testing, and vaccine administration of the HRSA uninsured program and /or HRSA Coverage Assistance fund.
- Summary of reimbursements received from Federal Government, State Agencies, or other sources for the coronavirus treatment, testing, and vaccine administration from March 2020 through February 2022.
- 2019, 2020, and 2021 audited financial statements and audit reports.
- Federal Tax returns for FY 2019, 2020, and 2021.
- 340B Program policy, if applicable.
- General revenue recognition policy
- Description of how net patient care revenues were identified and accurately assigned to the PRF net patient care categories (Medicare Part A+B, Medicare Part C, Medicaid, Commercial Insurance, Self-Pay or Other) if not included in general revenue recognition policy
- Policies and procedures or flowcharts related to PRF Lost Revenue reporting

Please organize the records in the order of the quarters reported for the period and include a copy of this letter with your records to ensure proper routing of the records. The due date for the requested data and documentation is **COB June 24, 2022**. If you anticipate any issues with meeting this due date or locating any portion of the request, please contact us as soon as possible.

# Expense Audit

- I. Please provide the documentation listed below within **15 calendar days** from the date of this letter. This document list should not be considered final as we will request additional supporting documentation to determine compliance.

## 1. Accounting

- a. Accounting basis (such as cash, accrual, or other) used in CYs 2020 and 2021.
- b. Chart of accounts (account codes and descriptions) used for Federal grants/payments and, if available, specifically for the targeted SNF and NHIC PRF payments (listed in Table below) used in CYs 2020 and 2021. Please provide this information in a Microsoft Excel or Access format.
- c. General ledger transactions related to (i) the receipt of PRF and expenses reimbursed with PRF and, if available, (ii) the receipt of the targeted SNF and NHIC PRF and expenses reimbursed with the targeted SNF and NHIC PRF (listed in Table below). Please provide this information in a Microsoft Excel or Access format.
- d. List of NPIs of providers that used targeted SNF and NHIC PRF (listed in Table below).

## 2. Financial Statements

- a. Audit reports (including internal control assessments) and financial statements for fiscal years 2019, 2020, and 2021, if available.
- b. Single Audit reports for fiscal years 2019, 2020, and 2021, if available.

## 3. Policies and Procedures

- a. Policies and procedures related to the receipt, revenue recognition, and use of Federal grants/payments and, if available, specifically for the PRF payments.
- b. Policies and procedures for recording patient care revenues from Medicare, Medicaid, CHIP, commercial insurance, self-pay patients, and other sources, including adjustments.
- c. Policies for cost allocation between parent and subsidiaries, if applicable.

# Notable FAQs

## **Must HRSA Health Center Program-funded health centers & look-alikes fully draw down Health Center Program COVID-19 Supplemental grant funding received from HRSA before using Provider Relief Fund payments for eligible expenses & lost revenues attributable to coronavirus? (Modified 8/30/2021)**

Yes, Health Center Program COVID-19 Grants awarded to FQHCs & FQHC Look-Alikes for costs for expenses or losses that are potentially eligible for payments under PRF needs to be fully drawn down before PRF payments could be. The PRF requires that payments not be used to reimburse expenses or lost revenues that have been reimbursed from other sources or that other sources are obligated to reimburse. If FQHCs or FQHC Look-alikes have incurred expenses or lost revenues attributable to coronavirus that these grant awards do not cover, they may use PRF payments towards those expenses or losses. Grant funding may be awarded to support either broad or specific allowable uses, depending on the terms & conditions of the award. *Recipients must use grant funding awarded by HRSA for the purposes (as budgeted) approved by HRSA. Should those costs also be eligible for payment under the PRF, a Health Center Program-funded health center or look-alike must use their grant funds before utilizing PRF payments used during the applicable period of availability*

# PRF Policy Sample

## **COMMUNITY HEALTH CENTER PRF Expenditures / Lost Revenue: Policy**

The organization is committed to ensuring that the COMMUNITY HEALTH CENTER provider relief fund “PRF” expenditures are made and administered in a manner consistent with the terms and conditions in the terms and conditions related to the provider relief funds and the applicable standards required by the U.S. Department of Health and Human Services found at 45 CFR Part 75 (HHS adoption of Uniform Grant Guidance found at 2 CFR 230).

### **Allowability of Costs or Lost Revenue**

To be considered an allowable expense under the Provider Relief Fund, the expense must be used to prevent, prepare for, and respond to coronavirus. Provider Relief Fund payments may also be used for lost revenues attributable to the coronavirus. The Community Health Center will maintain adequate documentation to substantiate that these funds were used for health care-related expenses or lost revenues attributable to coronavirus, and that those expenses or losses were not reimbursed from other sources and other sources were not obligated to reimburse them.

When calculating lost revenues, the Community Health Center will follow the guidance contained in the most current Provider Relief fund General and Targeted Distribution Post-Payment Notice of Reporting Requirements and other materials available that provider guidance from HRSA.

When allocating expenses to provider relief funds, the Community Health Center will implement controls to ensure that the expenses are not reimbursed by other sources (for example, through the cost report reconciliation process or through HRSA Testing for the Uninsured

# HRSA Testing for the Uninsured

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July 7<sup>th</sup>, 2022

Subject: Uninsured Program (UIP) Assessment  
Assessment Notification: \_\_\_\_\_.

Dear \_\_\_\_\_,

Working in coordination with you over the course of the assessment, HRSA aims to:

- Verify claims are properly reimbursed to requesting providers in accordance with the T&Cs.
- Ensure claims are paid in accordance with the appropriate Medicare reimbursement rates.
- Ensure adherence to the compliance regulations governing medical claims, by reviewing the medical necessity of the care provided to the patient.
- Verify your practice did not engage in balance billing the uninsured patient.
- Verify your practice did not receive reimbursement under the Uninsured Program for testing, treatment, and vaccine administration funds from other sources that were obligated to reimburse.
- Identify any misused funds which would need to be returned to HRSA.

In accordance with your participation as a Recipient in the Health Resources and Services Administration (HRSA) COVID-19 Claims Reimbursement to Health Care Providers and Facilities for Testing, Treatment and Vaccination Administration for the Uninsured Program (HRSA COVID-19 Uninsured Program), HRSA is requesting documentation to assess compliance with the Terms and Conditions (T&Cs) of the Uninsured Program and other legal requirements.

This letter is to notify you that HRSA has selected \_\_\_\_\_, for a HRSA COVID-19 Uninsured Program Assessment. The assessment will be conducted to help ensure appropriated taxpayer dollars were spent in accordance with the mission and objective of the HRSA COVID-19 Uninsured Program. As of April 6, 2022, the HRSA Uninsured Program stopped accepting claims. After the assessment is completed, any claims that your organization successfully submitted prior to this date and were placed on hold may be subject to the availability of funding. In addition, failure to submit the requested documentation in a timely manner will result in delays of payment or nonpayment of pending claims and/or termination from the program.

# HHS Uninsured Program (UIP) Assessment

Please submit the following documentation to support that the individuals from whom claims were submitted were eligible for the program, and that medical services were appropriate, necessary and consistent with requirements of the HRSA COVID-19 Uninsured Program. Please submit legible copies of all records that identify the rendering provider (if applicable) and document the services provided for the sample of claims listed on the last page of this letter.

This includes, but is not limited to:

- patient information such as patient first name, patient last name, patient DOB, address, SSN, patient ID information
- patient temporary member ID
- documentation supporting that the patient was uninsured at the time the services were provided, e.g., copy of Insurance Cards, or attestation that shows patient is not insured
- Intake Documents including ID and Insurance Information
- Copy of Claim (HCFA (CMS1500) or UB04)
- Explanations of Benefits (EOBs) for each claim
- H&P and Discharge Summary (Hospital Claims)
- Hospital or Physician Claims – Patient admittance forms and Care Plan (If applicable)
- Outpatient – Labs/Vaccinations – Authorization for testing or Vaccine
- COVID-19 testing and specimen collection procedures
- Clinical Laboratory Improvement Amendments (CLIA) Certificates for laboratory performing specimen collections and laboratory performing testing
- Testing Results
- Manufacturer and Type of Test Kits used for Rapid, Antigen and PCR Testing
- **for institutional inpatient:** date of admission and date of discharge
- name and address of the site of care,
- All applicable treatment, testing and/or vaccination codes

300 Claims were selected  
for testing

# HHS Uninsured Program (UIP) Assessment

In addition, please provide the following business documents and financial information:

- Policies and Procedures for Billing process and flowcharts for billing customers.
- Policies and Procedures for Intake process
- Policies and Procedures for Verification of Identification
- Policies and Procedures for Verification of Insurance and Benefits
- Payment Report showing all payments received from all payers from March 2020 to February 2022
- Patient account history for each patient showing all activity 6 months before and 6 months after DOS
- Summary of reimbursements received from Federal Government, State Agencies, or other sources for the coronavirus treatment, testing, and vaccine administration from March 2020 through February 2022
- COVID-19 testing and specimen collection procedures, if applicable.

**Please organize the records in the order of the claims listed on the last page of this letter and be sure to include your Tax Identification Number on the documents. Please include a copy of this letter with your records to ensure proper routing of the records.**

The HRSA Provider Relief Bureau (PRB) contracted firm, \_\_\_\_\_, will be performing the assessment on behalf of HRSA and will reach out with any additional questions throughout the course of the assessment.

# HHS Uninsured Program (UIP) Assessment

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Shortly after receiving this notification, you will receive an email from SecureEmailNotice@nih.gov indicating you have been added as a collaborator of a workspace. All documentation shall be submitted via National Institutes of Health (NIH) Secure Email and File Transfer Service (SEFT). We ask that you upload the requested documentation (attached list) or respond with any limitations within 15 days of receiving this notification.

HRSA's PRB Assessment Liaison will aid your organization with questions related to the assessment.

The federal record retention policy is three years after the submission of the report in accordance with 45 CFR 75.361 through 75.365. An exception to the record retention requirements is if an assessment is started before the expiration of the three-year period the records must be retained until all litigation, claims, or assessment findings involving the records have been resolved and final action taken.

Thank you in advance for your anticipated cooperation with this assessment.

Sincerely, \_\_\_\_\_



Questions?

**FORV/S**



# Thank You!

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**Catherine Gilpin, CPA**

Managing Director

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**FORVIS**