

Provider Relief Fund Distributions and American Rescue Plan Rural Distribution

Post-Payment Notice of Reporting Requirements

[Insert Date]

Purpose

The purpose of this Notice is to inform the Health Resources and Services Administration (HRSA) Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural recipients of the data elements that they are required to report as part of the post-payment reporting process. This Notice supersedes the Post-Payment Notice of Reporting Requirements released on April 22, 2024. The PRF and ARP Rural Distributions were administered by the Health Resources and Services Administration (HRSA) and supported eligible health care providers in the battle against the COVID-19 pandemic. PRF provided relief funds to eligible providers of health care services and support for health care-related expenses or lost revenues attributable to coronavirus.

Recipients who received and retained one or more General and Targeted Distributions and/or ARP Rural Distribution payments exceeding \$10,000 in the aggregate during a [Payment Received Period](#) are required to report in each applicable [Reporting Time Period](#). The reporting requirements outlined in this Notice apply to all PRF and ARP Rural payments made under the legal authorities outlined in the section [Overview of Legal Requirements for Reporting](#).

These reporting requirements apply to the following distributions:

- PRF General and Targeted Distributions (including the Nursing Home Infection Control (NHIC) Distribution (formally known as the Skilled Nursing Facility and Nursing Home Infection Control Distribution))
- ARP Rural Distribution.

Note: These reporting requirements do not apply to the Rural Health Clinic Coronavirus Disease 2019 (COVID-19) Testing and Mitigation Program and the Rural Health Clinic COVID-19 Testing Program¹ or claims reimbursements from the HRSA COVID-19 Uninsured Program and the HRSA COVID-19 Coverage Assistance Fund.²

Overview of Legal Requirements for Reporting

The Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), the Paycheck Protection Program (PPP) and Health Care Enhancement Act (P.L. 116-139), the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (P.L. 116-260), and the American Rescue Plan (ARP) Act of 2021 (P.L. 117-2) appropriated funds to reimburse eligible health care providers for health care-related expenses or lost revenues attributable to COVID-19. These funds were distributed by HRSA. Recipients of these funds agreed to [Terms and Conditions](#), which require compliance with reporting requirements as specified by the Secretary of the U.S. Department of Health and Human Services (HHS). The reporting requirements outlined in this Notice apply to all

¹ More information on reporting for the Rural Health Clinic COVID-19 Testing and Mitigation Program and the Rural Health Clinic COVID-19 Testing Program is available at: <https://www.rhccovidreporting.com>.

² More information on the COVID-19 Uninsured Program and Coverage Assistance Fund is available at: <https://www.hrsa.gov/provider-relief/about/covid-uninsured-claim>.

PRF payments, as well as to ARP Rural payments.³

Period of Availability of Funds

The period of availability of funds applies to all PRF and ARP Rural payments, including [reconsideration payments](#).

PRF and ARP Rural recipients must use payments for eligible expenses, including services rendered during the period of availability, as outlined in Table 1 below. For payments received in Periods 5, 6, or 7, the period of availability ended June 30, 2023, the end of the quarter in which the COVID-19 Public Health Emergency ended.

The period of availability of funds is based on the date the payment is received. The payment is received on the deposit date for automated clearing house (ACH) payments or the check cashed date. For reconsideration payments, the period of availability of funds is based on the date the reconsideration payment is received. Providers must follow their basis of accounting (e.g., cash, accrual, or modified accrual) to determine expenses.

If a provider received both PRF and ARP Rural payments, the provider should apply their ARP Rural payment towards eligible health care expenses and lost revenues attributable to COVID-19 before using PRF payments to cover eligible health care expenses or lost revenues attributable to COVID-19. The HRSA Consolidated PRF Reporting Portal system is set up so providers report first on the use of ARP Rural payments before PRF payments.

Table 1: Period of Availability for Eligible Expenses

Period	Payment Received Period	Period of Availability for Eligible Expenses
1	April 10, 2020, to June 30, 2020	January 1, 2020, to June 30, 2021
2	July 1, 2020, to December 31, 2020	January 1, 2020, to December 31, 2021
3	January 1, 2021, to June 30, 2021	January 1, 2020, to June 30, 2022
4	July 1, 2021, to December 31, 2021	January 1, 2020, to December 31, 2022
5	January 1, 2022, to June 30, 2022	January 1, 2020, to June 30, 2023
6	July 1, 2022, to December 31, 2022	January 1, 2020, to December 31, 2023
7	January 1, 2023, to June 30, 2023	January 1, 2020, to June 30, 2024

PRF and ARP Rural recipients may use payments for eligible expenses incurred prior to receipt of those payments (i.e., pre-award costs) so long as they are to **prevent, prepare for, and respond to COVID-19**.

As mentioned above, the opportunity to use PRF payments (excluding the NHIC Distribution) and ARP Rural payments for lost revenues attributable to COVID-19 is available only from January 1, 2020, through the end of the period of availability, as outlined in Table 2 below. For payments received in Periods 5, 6, or 7, the period of availability ended June 30, 2023, the end of the quarter in which the COVID-19 Public Health Emergency ended.

Table 2: Period of Availability for Lost Revenues

³ Post-Payment Notices of Reporting Requirements that were issued prior to October 27, 2022, did not include information regarding the ARP Rural Distribution payment(s). ARP Rural payments are funded separately from the PRF General and Target Distribution payments.

Period	Payment Received Period	Period of Availability for Lost Revenues
1	April 10, 2020, to June 30, 2020	January 1, 2020, to June 30, 2021
2	July 1, 2020, to December 31, 2020	January 1, 2020, to December 31, 2021
3	January 1, 2021, to June 30, 2021	January 1, 2020, to June 30, 2022
4	July 1, 2021, to December 31, 2021	January 1, 2020, to December 31, 2022
5	January 1, 2022, to June 30, 2022	January 1, 2020, to June 30, 2023
6	July 1, 2022, to December 31, 2022	January 1, 2020, to June 30, 2023
7	January 1, 2023, to June 30, 2023	January 1, 2020, to June 30, 2023

Reporting Time Periods

The reporting time periods apply to all PRF and ARP Rural payments.

Recipients who received and retained one or more payments exceeding \$10,000 in the aggregate during a Payment Received Period outlined below are required to report in each applicable Reporting Time Period, as indicated in Table 3 below. Reporting must be completed and submitted to HRSA by the last date of the reporting time period. PRF and ARP Rural recipients that do not report or return funds within the respective reporting time period are out of compliance with payment [Terms and Conditions](#) and are subject to repayment.

Table 3: Reporting Time Periods

Period	Payment Received Period	Reporting Time Period
1	April 10, 2020, to June 30, 2020	July 1, 2021, to September 30, 2021
2	July 1, 2020, to December 31, 2020	January 1, 2022, to March 31, 2022
3	January 1, 2021, to June 30, 2021	July 1, 2022, to September 30, 2022
4	July 1, 2021, to December 31, 2021	January 1, 2023, to March 31, 2023
5	January 1, 2022, to June 30, 2022	July 1, 2023, to September 30, 2023
6	July 1, 2022, to December 31, 2022	January 1, 2024, to March 31, 2024
7	January 1, 2023, to June 30, 2023	July 1, 2024, to September 30, 2024

Summary of Reporting Requirements

Table 4 summarizes how the **Payment Received Periods** align with the **Periods of Availability** for eligible expenses and lost revenues and the **Reporting Time Periods**.

Table 4: Summary of Reporting Requirements

Period	Payment Received Period	Period of Availability for Eligible Expenses	Period of Availability for Lost Revenues	Reporting Time Period
1	April 10, 2020, to June 30, 2020	January 1, 2020, to June 30, 2021	January 1, 2020, to June 30, 2021	July 1, 2021, to September 30, 2021
2	July 1, 2020, to December 31, 2020	January 1, 2020, to December 31, 2021	January 1, 2020, to December 31, 2021	January 1, 2022, to March 31, 2022
3	January 1, 2021, to June 30, 2021	January 1, 2020, to June 30, 2022	January 1, 2020, to June 30, 2022	July 1, 2022, to September 30, 2022
4	July 1, 2021, to December 31, 2021	January 1, 2020, to December 31, 2022	January 1, 2020, to December 31, 2022	January 1, 2023, to March 31, 2023
5	January 1, 2022, to June 30, 2022	January 1, 2020, to June 30, 2023	January 1, 2020, to June 30, 2023	July 1, 2023, to September 30, 2023
6	July 1, 2022, to December 31, 2022	January 1, 2020, to December 31, 2023	January 1, 2020, to June 30, 2023	January 1, 2024, to March 31, 2024
7	January 1, 2023, to June 30, 2023	January 1, 2020, to June 30, 2024	January 1, 2020, to June 30, 2023	July 1, 2024, to September 30, 2024

Responsibility for Reporting

Reporting entities will complete and submit required reports for PRF and ARP Rural payments in the HRSA Consolidated PRF Reporting Portal. The reporting entity may differ by type of payment but generally, HRSA defines this as the entity that registers its Tax Identification Number (TIN) and reports on payments received by that TIN and/or its subsidiary TINs as indicated in Table 5.

Note: HRSA requires entities to report if the total Targeted Distribution, General Distribution, and ARP Rural payments received and retained exceed \$10,000 in the aggregate in a Payment Received Period.

Table 5: Responsibility for Reporting

Type of PRF Recipient(s) ⁴	Required to Report Because...
General Distribution recipient that received payment in Phase 1 only	Entity that received and retained Phase 1 General Distribution payments totaling more than \$10,000 in the aggregate in a Payment Received Period.
General Distribution recipient with no parent organization or subsidiaries	Entity [at the TIN level] that received and retained one or more General Distribution payments totaling more than \$10,000 in the aggregate in a Payment Received Period.

⁴ The PRF website, available at <https://www.hrsa.gov/provider-relief/past-payments>, contains summaries of General Distribution and Targeted Distribution funding.

Type of PRF Recipient(s)	Required to Report Because...
General Distribution recipient with one or more subsidiaries that received payments in Funding Phases 1 to 4	<p>Entity that meets the following three criteria:</p> <ol style="list-style-type: none"> 1. is the parent of one or more subsidiary billing TINs that received General Distribution payments in Phases 1 to 4; 2. has associated providers that were providing diagnoses, testing, or treatment for individuals with possible or actual cases of COVID-19 on or after January 31, 2020; and 3. can otherwise attest to the Terms and Conditions.
Targeted Distribution recipient (includes NHIC Distribution payments)	Entity (at the TIN level) that received and retained Targeted Distribution payments totaling more than \$10,000 in the aggregate in a Payment Received Period.
ARP Rural Distribution recipient	<p>Entity (at the filing TIN level) that received and retained ARP Rural Distribution payments and other PRF payments totaling more than \$10,000 in the aggregate during the Payment Received Period.</p> <ol style="list-style-type: none"> 1. Regardless of whether a parent was obligated to distribute payments to its subsidiaries who qualified for ARP Rural payments, HRSA requires parent entities to report on ARP Rural payments they received from the agency. 2. The qualifying recipient of an ARP Rural Distribution will not transfer and/or allocate the payment to another entity. (Note: This does not include the initial transfer of an ARP Rural payment from the parent TIN to the qualifying TIN.)

Parent Reporting by Payment Type

(1) General Distribution Payments: A parent entity may report on its subsidiaries' General Distribution payments regardless of whether the subsidiary TINs received the General Distribution payments directly from HRSA or whether General Distribution payments were transferred to them by the parent entity. The parent entity may report on these General Distribution payments regardless of whether the parent or the subsidiary attested to the Terms and Conditions.

(2) Targeted Distribution Payments: A parent entity may not report on its subsidiaries' Targeted Distribution payments. The TIN that qualified for Targeted Distribution payments must report on the use of funds in accordance with the CRRSA Act. This is required regardless of whether the qualifying recipient or its parent subsequently transferred the payment. A reporting entity that is a subsidiary must indicate the payment amount of any of the Targeted Distributions it received that were transferred to/by the parent entity, if applicable.

(3) ARP Rural Payments: As outlined in Table 5 above, **HRSA requires** parent entities to report on its subsidiaries' use of ARP Rural payments. In accordance with the payment [Terms and Conditions](#), the TIN that qualified for the ARP Rural Distribution payment **must use** the payment for eligible expenses and/or lost revenues. HRSA does not permit parent entities to use these payments. Parent entities are required to attest that payments were allocated in accordance with the information provided in the payment letter.

Recipients who report an acquisition/divestiture/merger or entities who transfer Targeted Distribution payments are more likely to be audited, consistent with an overall risk-based audit strategy.

Steps for Reporting on Use of Funds

Reporting entities will report on their use of funds using their normal basis of accounting (e.g., cash basis, accrual basis, and modified accrual). Reporting entities will submit consolidated reports. The reporting requirements outlined in this section apply to all PRF and ARP Rural payments.

Recipients will report data in the following order:

(1) Interest Earned on PRF, Nursing Home Infection Control, and/or ARP Rural Payments

Reporting entities must report the dollar value of interest earned on PRF, Nursing Home Infection Control, and/or ARP Rural payment(s) it holds or held in an interest-bearing account. The total reportable use of payments will include the interest earned on those payments. HRSA requires recipients of ARP Rural and PRF Phase 4 payments to hold those payments in an interest-bearing account.

(2) Other Assistance Received

The reporting entity will report on other assistance received by quarter during the period of availability. Other Assistance Received is further defined within the [Data Elements](#) section below. If the reporting entity is reporting on behalf of subsidiaries, the assistance received for each category must be aggregated across each of the subsidiaries included in the report. HRSA will not use the reported Other Assistance Received in the calculation of expenses or lost revenues applied to PRF and ARP Rural payments.

(3) Use of ARP Rural Distribution Payments (if applicable) for Eligible Expenses

The reporting entity will report on expenses paid for with ARP Rural payments (including any interest earned). Expense categories will include General and Administrative and/or other Health Care-Related Expenses by calendar year quarter (further defined within the Data Elements section below).

(4) Use of [NHIC Distribution](#) Payments (if applicable) for Eligible Expenses

The reporting entity will report on infection control expenses paid for with NHIC Distribution payments (including any interest earned) if the entity received funds from this Distribution. Expenses must be those that another source has not reimbursed and is not obligated to reimburse. Expense categories will include General and Administrative and/or other Health Care-Related Expenses by calendar year quarter (further defined within the [Data Elements](#) section below).

(5) Use of General and Other Targeted Distribution Payments for Eligible Expenses

The reporting entity will report on expenses paid for with payments received through the General and Targeted Distribution payments (excluding NHIC Distribution payments). Expenses must be those that another source has not reimbursed and is not obligated to reimburse. Expense categories will include General and Administrative and/or other Health Care-Related Expenses by

calendar year quarter (further defined within the [Data Elements](#) section below).

HRSA considers unreimbursed expenses attributable to COVID-19 first in the overall use of funds calculation.

(6) Use of General and Other Targeted Distribution Payments for Lost Revenues

PRF payment amounts (excluding NHIC Distribution payments) and ARP Rural payment amounts not fully expended on health care-related expenses attributable to COVID-19 may be applied to patient care lost revenues incurred within the period of availability, up to June 30, 2023, the end of the quarter in which the Public Health Emergency ended, if applicable.⁵ Documentation requirements for lost revenues calculations are further defined within the [Data Elements](#) section below. Recipients may choose to apply payments toward lost revenues using one of three options, up to the amount:

- **Option i:** of the difference between actual patient care revenues.
- **Option ii:** of the difference between budgeted (approved prior to March 27, 2020) and actual patient care revenues.
- **Option iii:** calculated by any reasonable method of estimating revenues.

Data Elements

The following data elements in the HRSA Consolidated PRF Reporting Portal will allow HRSA to assess how recipients used PRF General and Targeted Distributions, and ARP Rural Distribution payments, consistent with the [Terms and Conditions](#) associated with payment.

(1) Reporting Entity Overview

- Repayment ID:** The nine-digit alphanumeric identifier included in the Opportunity to Report email.
- TIN:** The nine-digit TIN associated with the eligible health care provider that is filing the report. For some recipients, this may be analogous to Social Security Number or Employer Identification Number.
- Provider or Entity Name:** The name of the reporting entity must be entered as it appears on Internal Revenue Service (IRS) Form W-9.
- Business Name (if different) [optional]:** The business name is any registered name that a business operates under that is not its legal business name.
- Address:** The address must be entered as it appears on IRS Form W-9 and must include a street, city, state/territory, and ZIP code.
- Contact Information:** The name, title, and phone number of the person responsible for submitting the report on behalf of the reporting entity.
- Subsidiaries [optional]:** A list of subsidiary TINs held during the funding availability period.
- Acquired Subsidiaries [optional]:** A list of subsidiary TINs acquired during the funding availability period.
- Divested Subsidiaries [optional]:** A list of subsidiary TINs divested during the funding availability period.

(2) Payments Received

- Reporting Period:** Select the applicable reporting period.

⁵ PRF recipients that received only NHIC Distribution payments will not report on lost revenues. Per the Terms and Conditions, NHIC Distribution payments may not be used to reimburse lost revenues.

- b. **PRF Funding Received:** For the applicable reporting period, the total PRF funding received.
- c. **Nursing Home Infection Control Funding Received:** For the applicable reporting period, the total NHIC funding received.
- d. **ARP Rural Funding Received:** For the applicable reporting period, the total ARP Rural funding received.
- e. **Interest Earned on PRF, Nursing Home Infection Control, and/or ARP Rural Funding:** Reporting entities that held PRF payments in an interest-bearing account and PRF Phase 4 and ARP Rural recipients that are required to hold payments separately in an interest-bearing account must report the dollar value of interest earned on those payment(s). The total reportable use of PRF and ARP Rural Distributions will include the interest earned on those payments. Reporting entities will total the following:
 - a. Dollar amount of interest earned on NHIC Distribution, if any
 - b. Dollar amount of interest earned on other PRF, if any
 - c. Dollar amount of interest earned on ARP Rural payments.
- f. **Other Government Assistance Received:** The reporting entity must enter the total other assistance received during the reporting period of availability. Other assistance may include:
 - a. **Department of the Treasury and/or Small Business Administration Assistance:** COVID-19-related relief received from the Department of the Treasury and/or the Small Business Administration, including the Paycheck Protection Program.
 - b. **Federal Emergency Management Agency Programs:** COVID-19- related relief received from the Federal Emergency Management Agency.
 - c. **HHS COVID-19 Testing:** Relief received from HHS for COVID-19 testing-related activities.
 - d. **Local, State, and Tribal Government Assistance:** COVID-19-related relief received from other local, state, or tribal government sources.
 - e. **Business Insurance:** Paid claims against insurance policies intended to cover losses related to various types of health care business interruption.
 - f. **Other Assistance:** Other federal and/or COVID-19-related assistance received.

(3) Expenses

a. Use of NHIC Distribution Payments (if applicable)

NHIC Distribution payments may be used for infection control expenses limited to those outlined in the [Terms and Conditions](#) as follows:

- costs associated with administering COVID-19 testing;
- reporting COVID-19 test results to local, state, or federal governments;
- hiring staff to provide patient care or administrative support;
- providing additional services to residents; or
- other expenses incurred to improve infection control.

Expenses that reporting entities paid with NHIC Distribution payments must be those that other sources do not reimburse and that other sources are not obligated to reimburse. HRSA expects providers to follow their basis of accounting when determining applicable expenses.

Reporting entities are required to report on the use of these infection control payments in two categories: (1) General and Administrative Expenses and (2) Health Care-Related Expenses.

General and Administrative Expenses for NHIC Distribution Payments

- a. **Mortgage/Rent:** Payments related to mortgage or rent for a facility specifically for infection control.
- b. **Insurance:** Premiums paid for property, malpractice, business insurance, or other

insurance relevant to operations for infection control.

- c. **Personnel:** Workforce-related expenses as outlined in the [Terms and Conditions](#) such as personnel costs associated with administering COVID-19 testing; reporting COVID-19 test results to local, state, or federal governments; hiring staff to provide patient care or administrative support; providing additional services to residents; workforce training; and mentorship programs to improve infection control; or other personnel costs incurred for infection control. Staffing, including temporary employee or contractor payroll and overhead employees, is included.
- d. **Fringe Benefits:** Extra benefits supplementing an employee's salary, which may include hazard pay, travel reimbursement, and employee health insurance. May only be charged in proportion to salary costs for infection control.
- e. **Lease Payments:** New equipment or software leases, fleet cars, and medical equipment that is not purchased and will be returned to its owner, so long as it is used for infection control.
- f. **Utilities/Operations:** Lighting, cooling/ventilation, cleaning, or additional third-party vendor services not included in the "Personnel" sub-category and whose purpose is for infection control.
- g. **Other General and Administrative Expenses:** Expenses not captured above that are for infection control and generally considered part of general and administrative expenses.

Health Care-Related Expenses for NHIC Distribution Payments

- a. **Supplies:** Expenses paid for purchase of supplies (e.g., single use or reusable patient care devices, cleaning supplies, office supplies, etc.) used for the purpose of infection control during the period of performance. Such items may include PPE, hand sanitizer, and supplies for patient or staff COVID-19 testing, or expenses associated with distribution of a COVID-19 vaccine licensed or authorized by the Food and Drug Administration.
- b. **Equipment:** Expenses paid for purchase of equipment used for infection control, such as updates to HVAC systems or sanitizing equipment.
- c. **IT:** Expenses paid for IT or interoperability systems to expand or preserve infection control during the reporting period, such as telehealth infrastructure, increased bandwidth, technology that permits residents to connect with their families, and teleworking to support remote workforce.
- d. **Facilities:** Expenses such as lease or purchase of permanent or temporary structures, or to retrofit facilities to accommodate revised patient treatment practices to support infection control during the period of performance.
- e. **Other Health Care-Related Expenses:** Expenses not captured above that are for infection control and are health care-related expenses.

b. Use of ARP Rural Distribution Payments and Related Earned Interest (if applicable) on Eligible Expenses

ARP Rural payments may be used for expenses outlined in the [Terms and Conditions](#) to prevent, prepare for, and respond to COVID-19 by reimbursing the recipient for health care-related expenses or lost revenues that are attributable to COVID-19.

Expenses that reporting entities paid with ARP Rural Distribution payment(s) must be those that are unreimbursed by other sources, including PRF payments, and that other sources are not obligated to reimburse. ARP Rural payments must be fully expended on either eligible health care-related expenses and/or lost revenues attributable to COVID-19 before PRF payments can be used on eligible expenses and/or lost revenues attributable to COVID-19.

Reporting entities are required to report on the use of these payments in two categories: (1) General and Administrative Expenses and (2) Health Care-Related Expenses.

General and Administrative Expenses for ARP Rural Distribution Payments

- a. Mortgage/Rent:** Payments related to mortgage or rent for a facility.
- b. Insurance:** Premiums paid for property, malpractice, business insurance, or other insurance relevant to operations.
- c. Personnel:** Workforce-related actual expenses paid to prevent, prepare for, or respond to COVID-19 during the reporting period, such as workforce training, staffing, temporary employee or contractor payroll, overhead employees, or security personnel.
- d. Fringe Benefits:** Extra benefits supplementing an employee's salary, which may include hazard pay, travel reimbursement, and employee health insurance.
- e. Lease Payments:** New equipment or software leases, such as fleet cars and medical equipment that is not purchased and will be returned to the owner.
- f. Utilities/Operations:** Lighting, cooling/ventilation, cleaning, or additional third-party vendor services not included in the "Personnel" sub-category.
- g. Other General and Administrative Expenses:** Expenses not captured above that are generally considered part of general and administrative expenses.

Health Care-Related Expenses for ARP Rural Distribution Payments

- a. Supplies:** Expenses paid for purchase of supplies (e.g., single use or reusable patient care devices, cleaning supplies, office supplies, etc.) used to prevent, prepare for, and/or respond to COVID-19 during the period of availability. Such items may include personal protective equipment (PPE), hand sanitizer, supplies for patient screening, or vaccination administration materials.
- b. Equipment:** Expenses paid for purchase of equipment, such as ventilators, refrigeration systems for COVID-19 vaccines, or updates to heating, ventilation, and air conditioning (HVAC) systems.
- c. Information Technology (IT):** Expenses paid for IT or interoperability systems to expand or preserve COVID-19 care delivery during the reporting period, such as electronic health record licensing fees, telehealth infrastructure, increased bandwidth, and teleworking to support remote workforce.
- d. Facilities:** Expenses such as lease or purchase of permanent or temporary structures, or to retrofit facilities to accommodate revised patient treatment practices, used to prevent, prepare for, and/or respond to COVID-19 during the reporting period.
- e. Other Health Care-Related Expenses:** Expenses, not previously captured above, that were paid to prevent, prepare for, and/or respond to COVID-19.

c. Use of PRF General and Other Targeted Distribution Payments on Eligible Expenses
General and Targeted Distribution PRF payments excluding NHIC Distribution payments, may be used for expenses outlined in the [Terms and Conditions](#) to prevent, prepare for, and respond to COVID-19 by reimbursing the recipient for health care-related expenses or lost revenues that are attributable to COVID-19. Expenses that reporting entities paid with PRF payments must be those that are unreimbursed by other sources and that other sources are not obligated to reimburse. Reporting entities that also received an ARP Rural payment must expend the ARP Rural funds on eligible expenses and/or lost revenues attributable to COVID-19 before PRF payments may be used on eligible expenses and/or lost revenues attributable to COVID-19.

Reporting entities are required to report on the use of General and Other Targeted PRF

payments in two categories: (1) General and Administrative Expenses and (2) Health Care-Related Expenses.

General and Administrative Expenses Attributable to COVID-19

- a. **Mortgage/Rent:** Payments related to mortgage or rent for a facility.
- b. **Insurance:** Premiums paid for property, malpractice, business insurance, or other insurance relevant to operations.
- c. **Personnel:** Workforce-related actual expenses paid to prevent, prepare for, or respond to COVID-19 during the reporting period, such as workforce training, staffing, temporary employee or contractor payroll, overhead employees, or security personnel.
- d. **Fringe Benefits:** Extra benefits supplementing an employee's salary, which may include hazard pay, travel reimbursement, and employee health insurance.
- e. **Lease Payments:** New equipment or software leases, such as fleet cars and medical equipment that is not purchased and will be returned to the owner.
- f. **Utilities/Operations:** Lighting, cooling/ventilation, cleaning, or additional third-party vendor services not included in the "Personnel" sub-category.
- g. **Other General and Administrative Expenses:** Expenses not captured above that are generally considered part of general and administrative expenses.

Health Care-Related Expenses Attributable to COVID-19

- a. **Supplies:** Expenses paid for purchase of supplies (e.g., single use or reusable patient care devices, cleaning supplies, office supplies, etc.) used to prevent, prepare for, and/or respond to COVID-19 during the reporting period. Such items may include PPE, hand sanitizer, supplies for patient screening, or vaccination administration materials.
- b. **Equipment:** Expenses paid for purchase of equipment, such as ventilators, refrigeration systems for COVID-19 vaccines, or updates to HVAC systems.
- c. **IT:** Expenses paid for IT or interoperability systems to expand or preserve COVID-19 care delivery during the reporting period, such as electronic health record licensing fees, telehealth infrastructure, increased bandwidth, and teleworking to support remote workforce.
- d. **Facilities:** Expenses such as lease or purchase of permanent or temporary structures, or to retrofit facilities to accommodate revised patient treatment practices, used to prevent, prepare for, and/or respond to COVID-19 during the reporting period.
- e. **Other Health Care-Related Expenses:** Expenses, not previously captured above, that were paid to prevent, prepare for, and/or respond to COVID-19.

(4) Use of ARP Rural Distribution Payments and/or PRF General and Other Targeted Distribution Payments and Related Earned Interest (if applicable) on Lost Revenues Attributable to COVID-19

Reporting entities using ARP Rural and/or PRF payments for lost revenues incurred within the period of availability will provide information used to calculate lost revenues attributable to COVID-19 from the beginning of the period of availability up to June 30, 2023, the end of the quarter in which the Public Health Emergency ended. Reporting entities electing **Option i** or **Option ii** will provide the following:

Total Revenues⁶/Net Charges from Patient Care⁷ Related Sources:

⁶ Net of uncollectible patient service revenues recognized as bad debts.

⁷ "Patient care" means health care, services, and supports, as provided in a medical setting, at home/telehealth, or in the community. It should not include non-patient care revenue such as insurance, retail, or real estate revenues (exception for nursing and assisted living facilities' real estate revenues where resident fees are allowable);

Reporting entities will submit revenues/net charges from patient care (prior to netting with expenses) incurred within the period of availability, by payer mix (including out of pocket charges), and by quarter for each quarter during the period of availability up to June 30, 2023, the end of the quarter in which the Public Health Emergency ended. Reporting entities electing **Option i** will provide actuals and reporting entities electing **Option ii** will provide both budgeted and actuals.

- a. **Medicare Part A or B:** Revenues/net charges received from Medicare Part A or B for patient care.
- b. **Medicare Part C (Medicare Advantage):** revenues/net charges received from Medicare Part C for patient care.
- c. **Medicaid/Children's Health Insurance Program (CHIP):** Revenues/net charges received from Medicaid/CHIP for patient care.
- d. **Commercial Insurance:** Revenues/net charges from commercial insurance payers for patient care.
- e. **Self-Pay (No Insurance):** Revenues/net charges received from self-pay patients, including the uninsured or individuals without insurance who bear the burden of paying for health care themselves.
- f. **Other:** Revenues/net charges from other sources received for patient care services and not included in the list above.

Additional Revenue Information

In addition to providing patient care revenues, reporting entities will need to provide documentation to substantiate the revenue information provided if **Option ii** or **Option iii** was used to calculate lost revenues attributable to COVID-19.

- **Option ii:** Reporting entities must also submit: (1) a copy of a budget, which must have been approved before March 27, 2020; and (2) an attestation from the reporting entity's Chief Executive Officer, Chief Financial Officer, or similar responsible individual, attesting under 18 USC § 1001 that the exact budget being submitted was established and approved prior to March 27, 2020.
- **Option iii:** Alternate methodology for calculating lost revenues attributable to COVID-19. Reporting entities must submit: (1) a narrative document describing methodology, an explanation of why the methodology is reasonable, and a description establishing how lost revenues were attributable to COVID-19, as opposed to a loss caused by any other source; and (2) a calculation of lost revenues attributable to COVID-19 using the methodology described in the narrative document. All recipients seeking to use an alternate methodology face an increased likelihood of an audit by HRSA. HRSA will notify a recipient if their proposed methodology is not reasonable, including if it does not demonstrate with a reasonable certainty that COVID-19 caused the claimed lost revenues. If HRSA determines that a recipient's proposed alternate methodology is not reasonable, the recipient must resubmit its report within 30 days of notification using either **Option i** or **Option ii** to calculate lost revenues attributable to COVID-19.

prescription sales revenues (except when derived through the 340B program); grants or tuition; contractual adjustments from all third-party payers; charity care adjustments; bad debt; and any gains and/or losses on investments.