

Health Care Provider Stabilization Grant Program

Webinar Topic: COVID-19-related Expenses

July 23, 2020

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Webinar Series

The Agency of Human Services and the Department of Vermont Health Access will be hosting a series of webinars this week on the Health Care Provider Stabilization Grant Program. Applicants are welcome to join for the live call, or they may access the recording of the event and review the presentation slides at their convenience; recordings and slides will be posted to <https://dvha.vermont.gov/covid-19> within 24 hours of the scheduled webinar.

Webinar Schedule

- Monday, July 20th from 6-7PM, [General Overview of the Program](#)
- Tuesday, July 21st from 6-7PM, [Completing the Revenue Expenses](#) (focus on providers that bill insurance for revenue)
- Wednesday, July 22nd from 6-7PM, [Completing the Revenue Expenses](#) (focus on providers that mainly take out of pocket, grants, and other non-insurance revenue)
- Thursday, July 23rd from 6-7PM, [Claiming COVID-19-related Expenses](#)
- Friday, July 24th, Time TBD and by invitation only, Designated Agency and Specialized Service Agency Applicants

Meeting Logistics

- This meeting is being recorded
- All callers will be muted, but you can submit your questions in the chat box.
- Submitted questions will be compiled and added to the [Frequently Asked Questions \(FAQs\)](#) as appropriate.

Overview

1. What is Eligible?
2. Categories of Expenses
 - Federally-Reimbursable
 - Vermont-Expanded Reimbursable
 - Other
3. Identifying COVID-19-related Expenses
4. Identifying Your Documentation Requirements
5. Validating COVID-19-related Expenses
6. Uploading Documentation
7. Financial Assistance To Date
8. Self-Attestations
9. Award Amount
10. Questions & Next Steps

What is likely to be Eligible?

An expense that is likely to be eligible must meet all three of the requirements below:

- ✓ Must be a COVID-19-related expense
- ✓ Must be an actual expense incurred during the application period
 - March 1, 2020 through June 15, 2020
- ✓ Must be either a new cost OR the marginal increase of a normal cost
 - A new cost: a COVID-19-specific cost your entity did not have prior to COVID-19
 - The marginal increase of a normal cost: the marginal difference of a normal anticipated operating expense and the new operating expense due to COVID-19

(We will review some examples, later in the presentation.)

COVID-19 Marginal Cost Consent

A **Marginal Cost** refers to the incremental costs that are incurred when producing additional units of a good or service. In the case of COVID-19, it specifically means the additional costs (above normal operating costs) that you had because of COVID-19

Before including expenses, applicants must consent to the following statement:

- I hereby certify that I have **read** and **understand** the definition of a marginal cost, and I am only including COVID-19 related expenditures for new and/or marginal cost increases.

Categories of Expenses

The Health Care Provider Stabilization Grant Program application includes three categories of expenses:

- **Federally reimbursable expenses:** a category of expenses that the United States Federal Government deems eligible for emergency response.
- **Vermont-expanded reimbursable expenses:** a more expansive category of expenses for which the State of Vermont is extending coverage.
- **Other COVID-19-specific eligible expenses:** a category of expenses that may be eligible for reimbursement, based on applicant submitted information and subject to Agency of Human Services review and determination.

COVID-19-related Federally-Reimbursable Costs

There are three primary categories of COVID-19-related expenses that the Federal Government considers to be a reimbursable expense for the COVID-19-Public Health Emergency. They are:

- COVID-19-specific emergency medical care,
- COVID-19-specific management, control, and reduction of immediate threats to public health and safety, and
- COVID-19-specific other.

COVID-19-specific Emergency Medical Care

Likely to Be Eligible

- Non-deferrable medical treatment of infected persons in a shelter or temporary medical facility
- Related medical facility services and supplies
- Non-reimbursable testing and screening (e.g. costs related to temperature screening patients/clients at building entry)
- Use of specialized medical equipment
- Medical waste disposal
- Emergency medical transport

Not Likely to Be Eligible

- Any billable cost

COVID-19-specific Management, Control, and Reduction of Immediate Threats to Public Health and Safety

Likely to Be Eligible

- Training specific to COVID-19
- Disinfection of facilities, and related supplies
- COVID-19-related services and supplies

Not Likely to Be Eligible

- Training for the purposes of training individuals to pursue the same activities as their paying careers (for example, vocational, academic, or professional training)
- Training conducted for only a brief period, or at irregular intervals.
- Normal prevention and supply costs.

COVID-19-specific Other

Likely to Be Eligible

- Household pet sheltering and containment actions related to household pets in accordance with CDC guidelines
- Purchase and distribution of food, water, ice, medicine, and other consumable supplies, to include personal protective equipment and hazardous material suits
- Movement of supplies and persons
- Communications of general health and safety information to the public

Not Likely to Be Eligible

First Example: COVID-19-related Cleaning Expenses

- Pre-COVID-19, the cost to disinfect the applicant's facility is \$1,000 per cleaning, and the applicant disinfected facilities once per month. During the COVID-19 pandemic, the cost to disinfect the applicant's facility rose to \$2,000 per cleaning and the cadence increased to 5 times per month.
- This grant award will cover the marginal costs increases, which are those costs above and beyond the "normal" costs for that same service or supply.
- In this example, the eligible costs for one month would be \$9,000.
- This eligible cost is determined by taking \$10,000 (the new monthly cost for cleaning) and subtracting \$1,000 (the normal monthly cost cleaning).

COVID-19-related Vermont-Expanded Reimbursable Costs

The Agency of Human Services and the Department of Vermont Health Access have, by the authority of the Vermont State Legislature and Governor Scott's Administration, expanded the COVID-19-related reimbursable costs to include the following:

- COVID-19-specific materials for clients
- COVID-19-specific Information Technology (IT) & Telehealth
- COVID-19-specific Difficulty of Care stipends (DA/SSA/TBI providers only)

COVID-19-specific Materials for Clients

Likely to Be Eligible

- Prepaid wireless phones and minutes
- Activity kits

Not Likely to Be Eligible

COVID-19-specific Information Technology (IT) & Telehealth

Likely to Be Eligible

- Costs related to transitioning to telehealth for staff, including:
 - Tablets, laptops, etc.
 - Telehealth licenses (e.g. Zoom)
 - Extra mileage
 - Telecommuting supplies
 - Legal fees related to the transition to telehealth

Not Likely to Be Eligible

- Normal IT and telehealth costs.

Second Example: COVID-19-related IT & Telehealth Expenses

- Pre-COVID-19, provider entity had 30 licenses to provide telehealth to patients/clients for a total monthly cost of \$300. During the COVID-19 pandemic, provider increased to 50 licenses to provide telehealth to patients/clients for a total monthly cost of \$500.
- This grant award will cover the marginal costs increases, which are those costs above and beyond the “normal” costs for that same service or supply.
- In this example, the eligible costs for one month would be \$200.
- This eligible cost is determined by taking \$500 (the new monthly cost for telehealth licenses) and subtracting \$300 (the average monthly cost for telehealth licenses).

Other COVID-19-related Reimbursable Costs

Likely to Be Eligible

- Security and law enforcement
- Costs related to expanding a primary medical care facility to effectively respond to COVID-19. Costs must be feasible and cost-effective.
- Emergency Operation Center costs
- Temporary medical facilities and/or enhanced medical/hospital capacity (for treatment when existing facilities are reasonably forecasted to become overloaded in the near term and cannot accommodate the patient load or to quarantine potentially infected persons)
- COVID-19-related renovations (e.g. installation of glass shields)
- Purchase, lease, and delivery of specialized medical equipment necessary to respond to COVID-19 (equipment purchases are subject to disposition requirements)

Not Likely to Be Eligible

- Hazard Pay
- Unemployment Insurance
- Vacation buybacks and other types of staff bonuses
- In most cases, permanent renovations are not eligible unless the Applicant can demonstrate that the work can be completed in time to address COVID-19 capacity needs and is the most cost-effective option.
- Any future or anticipated costs
- Any costs incurred after the application period.

Validating Expenses

TYPE OF EXPENSE	TYPE OF INFORMATION TO SUPPORT EXPENSES REQUESTS
For Labor (not hazard pay)	<ul style="list-style-type: none"> • Number of personnel; average hours per day; average days per week; and • Average pay rate. If not available, AHS will estimate at \$20 per hour
For Equipment	<ul style="list-style-type: none"> • If Applicant's own equipment: the amount of equipment used, by type; average hours per day; and days per week; and hourly rate. If not available, AHS will estimate based on AHS equipment rates. • If rented equipment, rental agreement with pricing; or Purchase price, if purchased.
For Materials	<ul style="list-style-type: none"> • Amount of materials, by type; and • Purchase or stock replenishment cost.
For Contract Work	<ul style="list-style-type: none"> • A copy of the request for proposals, bid documents, or signed contracts, if available. If contracts are not available, provide unit price estimates with the basis for the unit prices (e.g., historical pricing, vendor quotes).
For Other	<ul style="list-style-type: none"> • High-level information which can substantiate costs

Identifying Your Documentation Requirements

- Applicants must determine the total cost of all the expenses for which they are applying for coverage.

Federally reimbursable COVID19-specific Expenses

 Vermont-Expanded Reimbursable Coverage COVID19-specific Expenses

Other Eligible COVID19-specific Eligible Expenses



 Total Expenses Requested

Minimum Upload Requirements

- AHS has developed standards for determining the minimum upload requirements for expenses.
- AHS reserves the right to request additional information if the uploads do not sufficiently validate the requests.
- Failure to substantiate expenses may result in the reduction of your grant award amount to those expenses validated by your documentation.

If your Total Expenses Requested are:	Your Minimum Upload Requirements are:
\$0 – \$24,999	<ul style="list-style-type: none"> • General ledger • No invoices and receipts required for upload, but entity will be required to produce supporting documentation (such as bank statements, credit card receipts, etc.) if the amount of expenses requested exceeds the normal range for your provider type and size.
\$25,000 - \$131,099	<ul style="list-style-type: none"> • General ledger • No invoices and receipts required for upload, but entity will be required to produce all invoices and receipts upon audit if the amount of expenses requested exceeds the normal range for your provider type and size.
\$131,100 or greater	<ul style="list-style-type: none"> • General ledger • All invoices and receipts required with application submission.

This grant is funded with Federal dollars and is subject to the requirements of Single Audit found at 2 CFR § 200 Subpart F.

Uploading Documents

- Expenses must be uploaded in the appropriate category:
 - Federally-reimbursable
 - Vermont-expanded reimbursable
 - Other Eligible COVID-19-related



The screenshot shows a web interface titled "Expenses". It contains three rows, each with a category label on the left and an "Upload File" button on the right. The buttons are blue with a white upload icon and the text "Upload File".

Expenses	
Federally Reimbursable Expenses	Upload File
Vermont- Expanded Reimbursable Expenses	Upload File
Other Eligible COVID19-related Expenses	Upload File

General Documentation Requirements

- Must be formatted as a PDF. Applicants will receive an error message if they attempt to upload any other type of document format.
- Applicants have wide discretion on the type of software accounting they provide.
- Applicants must include all the documentation required and in must be provided in accordance with the guidance.
- If you are unsure about the upload, please submit a question on the submission form and someone will advise.
- Up to 100% of applications will be reviewed in detail at the close of the application period.
- AHS reserves the right to request additional information if the uploads do not sufficiently validate the requests. Failure to include the required documentation may result in the reduction of your grant award amount.

Documentation Required for Registration Through Revenue Changes

Organizations should prepare the following information before beginning the application:

1. Vermont Employer Identification Number (7-digit number used for Vermont Department of Labor filings). Providing this number is not required but helps populate some of the application required fields.
2. Federal Employer Identification Number (FEIN).
3. Contact information for the individual responsible for the application.
4. All Payer Revenue
5. Gross Staff Wages
6. Total Operating Expenses
7. COVID-19-related Eligible Expenses
8. Federal and State Tax Returns for 2019
9. All Billing Provider NPIs/Medicaid Billing Provider IDs you are applying for OR your [approved certification letter](#).

Financial Assistance To Date

- DO NOT include any loans or advanced payments in this section.
 - We are only looking for information on financial assistance your entity will not need to pay back or that is not held as advances against future payments.
- DO include:
 - Payroll Protection Program grants/loans
 - Vermont Agency of Human Service's COVID-19-related relief (April Retainer, Sustained Monthly, DA/SSA, PNMI, Nursing Homes, etc.)
 - Other Federal Disbursements (CDC, FEMA, HHS, SAMHSA HRSA, etc.)
 - Other local and community grants (such as, the Vermont Community Fund)

Financial Assistance To Date

* Have you received COVID-19 specific assistance from Federal Department of Health and Human Services (HHS)? ⓘ

Yes No

* If YES, How much have you received?

\$500.00

* Have you received any additional COVID-19 related financial assistance?

Yes No

* Name(s) of Other Assistance ⓘ

enter name(s) and break downs here and total amount below if more than 1 source

* Total Amount of Other Assistance Received ⓘ

\$5,000.00

- The application is dynamic, if you select “Yes” to receiving assistance, another question will appear for applicants to include the amount of relief received.
- Applicants with “Other Assistance,” financial relief will have an option at the bottom to list the awards and the amount of the “Other Assistance.”

Self-Attestations

- Must expend funds by December 30, 2020
- All information is accurate to the best of your knowledge, such as:
 - All payer revenue, operating costs, and staff wages are complete.
 - Includes all other financial assistance received.
 - Only new or marginal costs.
 - Only expenses incurred during the application period.
- Repay any amount received that was based on incorrect information
- Tax returns are complete and filed
 - If you have requested an extension from the IRS (beyond July 15, 2020), applicant will need to also request an extension from AHS (through the Online Question Submission Form) and should be prepared to validate the extension.

Award Amounts

- AHS will administer two application cycles: one beginning July 17th (for the time period March 1, 2020 – June 15, 2020), and one beginning in October (for the time period June 16, 2020 – September 30, 2020).
 - In the event that demonstrated need in the first application cycle exceeds the allocated funding amount, AHS reserves the right to prioritize the distribution of funds in the first cycle.
- For the first cycle, applications should be submitted electronically using the web-based form between July 17, 2020 and August 15, 2020.
 - Dates for a second application cycle are forthcoming

Award Amounts

- All applications will be reviewed after the application period closes.
- Funding determinations will be made based on the total need demonstrated in the applications received, subject to available funding.
- Funding will be issued as one or more grant payments beginning in late-August for the first application cycle.
 - Payment details for a second application cycle are forthcoming

Maximum Award Amounts

REIMBURSABLE AREAS	FOR-PROFIT ENTITIES	NON-PROFIT & PRIVATE NON-PROFIT
COVID-19-specific All Payer Revenue Losses	Up to 100% from AHS	Up to 100% from AHS
Federally reimbursable COVID-19-specific Expenses	Up to 100% from AHS	Up to 25% from AHS Up to 75% from FEMA
COVID-19-specific Vermont-Expanded Reimbursable Coverage	Up to 100% from AHS	Up to 100% from AHS
Other COVID-19-specific Eligible Expenses	Up to 100% from AHS	Up to 25% from AHS Up to 75% from FEMA

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Resources Available to Assist

- The [DVHA Covid-19 Website](#) where you can find regular updates, as well as guidance on the Health Care Provider Stabilization Grant Program:
 - [Program Overview](#)
 - [Frequently Asked Questions](#) (this is an early release, more to come)
 - [Application Readiness and Document Uploads Guidance](#)
 - [Expenditures Guidance](#)
 - [Peer Support & Program Pre-Approval Certification](#)
 - *Coming Soon!* Revenue Changes Guide
 - *Coming Soon!* Financial Assistance to Date Guide
 - *Coming Soon!* Payment Disbursement & Auditing Guide
- Submit a question using the [Online Questions Submission Form](#)
- [Sign Up for the Listserv](#) to stay up to date on important changes and announcements