

Reporting Instructions on Use of Funds

Recipients will report their use of PRF payments using their normal method of accounting (cash or accrual basis) by submitting the following information:

1. Healthcare related expenses attributable to coronavirus that another source has not reimbursed and is not obligated to reimburse, which includes General and Administrative (G&A) and/or other healthcare related expenses (further defined within the data elements section below).
2. PRF payment amounts not fully expended on healthcare related expenses attributable to coronavirus are then applied to patient care lost revenues. Documentation requirements for lost revenue calculations are further defined within the data elements section below.

Recipients may choose to apply PRF payments toward lost revenue using one of the following options, up to the amount:

- a. of the difference between 2019 and 2020 actual patient care revenue;
- b. of the difference between 2020 budgeted and 2020 actual patient care revenue. If recipients elect to use 2020 budgeted patient care revenue to calculate lost revenue, they must use a budget that was established and approved prior to March 27, 2020. Providers using 2020 budgeted patient care revenue to calculate the amount of lost revenues they may permissible claim will be required to submit additional documentation at the time of reporting; or
- c. calculated by any reasonable method of estimating revenue. If a recipient wishes to use an alternate reasonable methodology for calculating lost revenues attributable to coronavirus, the recipient must submit a description of the methodology, an explanation of why the methodology is reasonable, and establish how the identified lost revenues were in fact a loss attributable to coronavirus, as opposed to a loss caused by any other source. 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 because it does not establish with a reasonable certainty that claimed lost revenues were caused by coronavirus. 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 2019 calendar year actual revenue or 2020 calendar year budgeted revenue to calculate lost revenues attributable to coronavirus.

If recipients do not expend PRF funds in full by the end of calendar year 2020, they will have an additional six months in which to use remaining amounts toward expenses attributable to coronavirus but not reimbursed by other sources, and/or lost revenues in an amount not to exceed the difference between:

1. 2019 Quarter 1 to Quarter 2 and 2021 Quarter 1 to Quarter 2 actual revenue, or
2. 2020 Quarter 1 to Quarter 2 budgeted revenue and 2021 Quarter 1 to Quarter 2 actual revenue.