



Funding Options for Hospitals During the COVID Crisis Thursday, April 2, 2020

Questions/Comments

Note: The responses and information contained in this document are accurate as of April 2, 2020. Information may have changed following publication of this document. Should you have questions, please reach out to [Steve Poage](#) or [Tish Hollingsworth](#) at KHA.

Q1. What is KHA doing to address the address the issue that Governmental Hospitals are not able to access reimbursement for the FFCRA?

R1. KHA is advocating for the FFCRA to be expanded to all hospitals with 500 or fewer employees regardless of governance/ownership status.

Q2. Are the CAHs eligible for the SBA loans? Some CAHs have a dual status with 501(c)3 status along with being a governmental hospital. Can we use the 501(c)3 status for the SBA loans?

R2. This question is currently being addressed by the Small Business Administration.

Q3. Will FEMA reimburse for overtime only?

R3. FEMA will cover 75% of allowable costs related to 1) patient evacuation when such action is needed, 2) reimbursement when essential components of a facility are urgently needed to save lives or protect health and safety, 3) reimbursement of costs for emergency medical care such as triage and medically necessary tests and diagnosed related to COVID-19 cases, emergency medical treatment of COVID-19 patients including prescription costs to treat COVID-19, use of specialized medical equipment and medical waste disposal. When labor is a component of any of these activities, overtime associated with responding to the emergencies is eligible, but straight time is not. However, pre-positioned (stand-by) resources can be eligible if directly related to the emergency services in support of COVID-19 activities.

Q4. Does the expanded FMLA conflict with SBA forgiveness?

R4. Yes. Since they are both providing support for payroll costs, hospitals will need to choose one option or the other.

Q5. Will there be a delay in the Community Health Needs Assessment (CHNA) filing?

R5. To date, there has been no notice of delay in the CHNA filings.

Q6. Is the sick leave portion of the FFCRA treated differently than the FMLA portion?

R6. Yes. They each have their own provisions. FMLA is always 2/3rds pay, while some of the Emergency Sick Leave pay is at 100%.

Q7. Does partial unemployment for reduced employee hours conflict with SBA forgiveness?

R7. It will impact your ability to have the SBA loan forgiven.

Q8. How does the 20% increase in payment for patients with COVID-19 get paid to the CAHs?

R8. According to information published in their March 26, 2020 update, the AHA indicates: "During the emergency period, the legislation provides a 20% add-on to the DRG rate for patients with COVID-19. This add-on will apply to patients treated at rural and urban inpatient prospective payment system (IPPS) hospitals."

Q9. Will the Centers for Medicare & Medicaid Services (CMS) suspend the provider productivity requirements for RHC's?

R9. To date, we have not heard that the productivity requirement for RHC's has been waived. KHA and the National Rural Health Association have submitted requests to CMS to suspend the productivity requirement.

Q10. Are the Targeted Probe and Educate (TPE) audits being suspended?

R10. According to a [CMS March 2020 FAQ](#) document on Provider Burden Relief, the TPE reviews that are in process will be suspended and claims will be released and paid. (See the first question).

Q11. Please provide clarification on whether telemedicine visits in the RHC would be reimbursed at the physician fee schedule rate or the RHC encounter rate?

R11. The coverage and payment guidelines for telemedicine coverage in regular times as well as the temporary expanded coverage during the COVID-19 pandemic, vary by payer. For example, during the temporary expanded coverage period, Medicare does not pay the encounter rate; however, this has been requested. For the Medicaid (KanCare) program, during the temporary expanded coverage, RHCs are paid at the encounter rate both as the originating site and the distant site. (Reference KMAP Bulletins on the [KMAP Website](#) and click on COVID-19 Provider Information).

Q12. When does the interest begin to accrue on the Medicare accelerated payments?

R12. The interest starts to accrue at the end of the repayment period, which for PPS hospitals, CAHs, cancer hospitals and children's hospitals is 12 months after the date the accelerated payments are issued. There is a 30-day grace period before interest on the remaining balance begins; that is, on the 31st day after the demand letter is sent, interest will begin to accrue. (Reference AHA Update, April 3, 2020).

Q13. Are physical therapy, occupational therapy, and speech therapy services provided in a hospital outpatient department eligible for reimbursement through the expansion of telemedicine/telehealth during the COVID-19 pandemic?

R13. Physical therapists, occupational therapists and speech therapists are not statutorily authorized Medicare providers of telehealth, and therefore, services delivered via telehealth are not payable under the physician fee schedule. On a number of CMS calls, providers have requested that CMS include a provision in a waiver to allow telehealth coverage.

Q14. Would you address the AHA letter that has requested CMS pay directly to the hospitals \$25,000 a bed and \$30,000 in designated hot spots?

R14. AHA has submitted a letter to CMS recommending action to be taken quickly on distributing monies from the Public Health and Social Services Emergency Fund. One approach that AHA has recommended is that each hospital receive \$25,000 per bed and \$30,000 per bed in geographic hot spots for COVID-19.