National Rural Health Association

Rural COVID-19 Response Update

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October 14, 2020

Panelists

- Tommy Barnhart, NRHA TA Specialist
- Alan Morgan, NRHA CEO
- Brock Slabach, NRHA Sr. Vice-President

Session Details

- Description: provide an overview of NRHAs Covid-19 Response specifically addressing financial and operational issues for rural hospitals and clinics.

- Agenda:
  - Introductions and overview, Alan Morgan
  - Financial/Reimbursement Activities, Tommy Barnhart
  - Operations/Supplies Activities, Roger Masse
  - Summary and Q/A, Brock Slabach and group

Financial/Reimbursement Activities

Tommy Barnhart

CMS 1135 Waivers (partial list)

- SNF/Swing Bed waiver of 72 hour qualifying hospital stay
- Waived CAH bed limit of 25
- Waived CAH 96-hour average length of stay
- Telehealth waivers
  - RHC/FQHC distant site status during Public Health Emergency (PHE) in CARES Act, push to extend past PHE
  - Encounter rate $92.03 per visit
  - Guidance issued by CMS on billing
    - Billed to Part B
    - Caution: costs associated with this service should be carved out of RHC cost reports and these encounters would NOT count toward provider productivity
- Check CMS COVID website for all & updated information

Medicare Accelerated/Advanced Payment Program

Your voice. Louder.

- CMS advanced billions of dollars based on 2019 Medicare payments
- Continuing Resolution:
  - Payback starts with claims processed after 1 year from receipt of payments
  - Beginning one year after receipt for 11 months – claims withheld at 25%
  - After 11 months end, withholding will be 50% of 6 months
  - Following withholding period (29 months from receipt of funds):
    - Provider can pay outstanding balance in full, OR
    - Extended payment plan –interest rate of 4%

CARES Act Funding Provisions - PHSSEF

- Public Health and Social Services Emergency Fund (PHSSEF) or Provider Relief Fund (PRF)
  - $100B in original CARES Act – plus $75B from COVID 3.5

- $50 billion general allocation was allocated in proportion to each healthcare provider's share of 2018 total patient revenue
    - First $30B was distributed based on 2019 Medicare revenue only
    - Second tranche of $20B distributed based on total 2018 revenue and reconciled with the first phase.
    - Some only got from $30B

- Treatment of uninsured COVID-19 patients at Medicare rates. Providers must register for this reimbursement program and submit claims

CARES Act Funding Provisions - PHSSEF

- Targeted distributions:
  - $22B COVID-19 High Impact
  - Rural:
    - $10.2B Rural hospitals, RHCs and FQHC rural sites
    - $1.1B Rural hospitals, certain urban hospitals in rural areas and hospitals in small metropolitan areas
  - $7.4B Skilled nursing facilities
  - $500M Tribal hospitals, clinics and urban health centers
  - $14.7B Safety net and children's hospitals
- $15B Medicaid providers
- About $50B remaining to be distributed

CARES Act Funding Provisions - PHSSEF

Your voice. Louder.

- About $50B remaining to be distributed
  - Uninsured portion?
  - Phase 3 - $20B
    - Announced October 1
    - Providers must apply by November 6
    - 2% of net revenue – if not already received in 1st and 2nd round
    - Additional amount – change in operating revenues and/or expenses
      - Calculation uncertain – pending applications received

CARES Act Funding Provisions - Other

- Sequestration abatement for services 5/1 – 12/31/20
- Payroll Protection Program
- Employee Retention Credit – if not eligible for PPP
- Community Health Centers (CHC) - $1.32B
- Telehealth flexibilities
- Other rural funding through HRSA
- **Additional CARES COVID 3.5**
  - Community Health Centers (CHC) - $600M
  - Rural Health Clinics - $225M

HHS & HRSA Distributions

- Attestations required for each distribution
- Purpose - COVID expenses & lost revenue
- Will be subject to single audit requirements – guidance is not available yet (consult your auditors)
- Follow HHS FAQs – updated frequently
- https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/faqs/index.html

HHS Distributions - Reporting

- Reporting:
  - Guidance released 9/19 – link
    - https://www.hhs.gov/sites/default/files/post-payment-notice-of-reporting-requirements.pdf
  - Reporting portal apparently opens 1/15/21
  - Reporting periods:
    - 1st report covers calendar year 2020 – due 2/15/2021
    - 2nd and final report due 7/31/2021
  - Evaluation period for expenses & lost revenue – ends 6/30/2021
  - NRHA has submitted questions to HHS
  - See more details in separate break out session

Paycheck Protection Program

- Additional $321B to the SBA PPP program in H.R. 266
- H.R.7010, the Paycheck Protection Program Flexibility Act of 2020:
  - Increased the loan forgiveness period from eight weeks to 24 weeks;
  - Changed the 75/25 payroll / non-payroll requirement for loan forgiveness to 60/40
  - Increased the loan repayment period from two to five years;
  - Allowed payroll tax deferral for PPP recipients; and
  - Extended the June 30 rehiring deadline to December 31, 2020
- Forgiveness application and instructions on SBA/PPP website
- https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program
- Follow SBA PPP FAQs

Cost Report Treatment

- CMS Issued FAQs on August 26
  - No offset for:
    - PPP loan forgiveness
    - Provider Relief Funds (PRF)
    - RHC distribution not mentioned but should follow PRF
  - FAQs include specific cost report guidance on how to report PPP forgiveness, CARES Act revenue, COVID payments for uninsured and other COVID funding.
  - Link for CMS FAQs including cost report guidance:

  - https://www.cms.gov/files/document/medicare-telehealth-frequently-asked-questions-faqs-31720.pdf

RHC Productivity

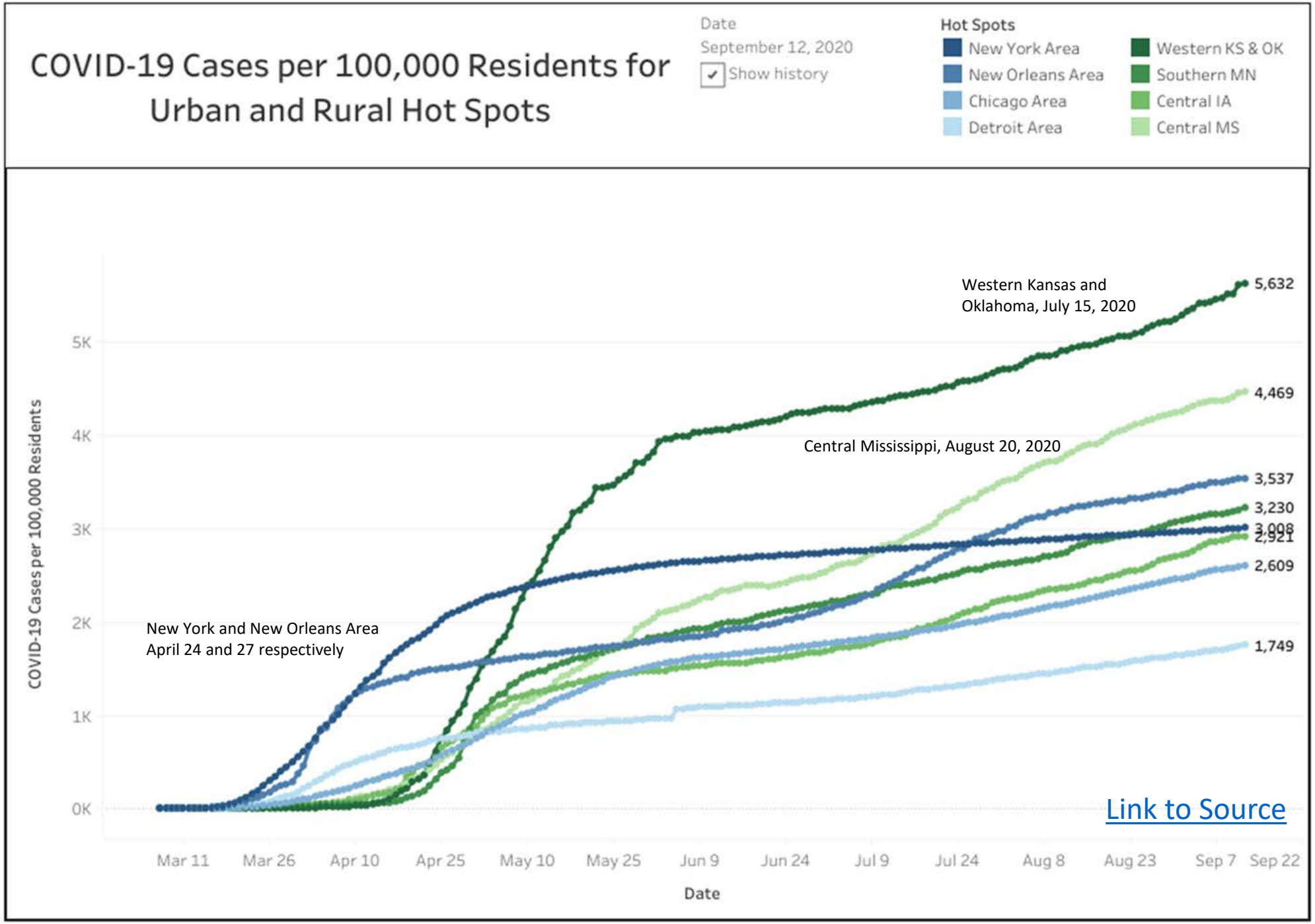
- RHC productivity:
  - NRHA requested national waiver of productivity standards
  - CMS FAQs leave the exception up to the MACs

Operational/Supplies Activities

Brock Slabach

Covid-19 in Rural America

- Thus far in 2020, twelve rural hospitals have closed – four during the pandemic (UNC Sheps Center).
- COVID-19 is growing faster in rural America in both number of cases and deaths (KFF). (As of 9/20/2020 CDC – 198,754 deaths total in U.S.)
- Due to COVID-19, an estimated 41% of U.S. adults had delayed or avoided medical care including urgent or emergency care (12%) and routine care (32%).
- The number of deaths in rural America from Covid now stands at 10,313 on Aug. 1
- Latest rural hotspots (as of 5/26/2020): Western KS and OK
- Emergency visits down 42% nationwide since PHE declared March 13, 2020
- Certain rural hotspots are getting new media coverage with focus on:
  - Prisons
  - Meatpacking Plants
  - Long-term Care Facilities
  - Schools/Universities


COVID-19 Cases per 100,000 Residents for Urban and Rural Hot Spots
Date
September 12, 2020
Show history
Hot Spots
New York Area
New Orleans Area
Chicago Area
Detroit Area
Western KS & OK
Southern MN
Central IA
Central MS
Western Kansas and Oklahoma, July 15, 2020
Central Mississippi, August 20, 2020
New York and New Orleans Area April 24 and 27 respectively
5,632
4,469
3,537
3,230
3,008
2,921
2,609
1,749
5K
4K
3K
2K
1K
0K
COVID-19 Cases per 100,000 Residents
Mar 11
Mar 26
Apr 10
Apr 25
May 10
May 25
Jun 9
Jun 24
Jul 9
Jul 24
Aug 8
Aug 23
Sep 7
Sep 22
Date
Link to Source

CoBank/NRHA TA Center

Your voice. Louder.

- Grant continued support for set-up of Rural Technical Assistance Center
- Areas of focus remain: Finance/Reimbursement and Operations/Supplies
- Operations and Supplies: rural hospitals
- Continuous review of current supply chain – sources, quality, costs
  - Emphasis on need to develop/expand domestic manufacturing
  - Looking for models for effective rural testing/contact tracing
  - Continue to cite importance and to encourage community collaboration
  - Remain updated on recent negative trends for Nursing Homes/School openings
  - Participate with government agencies/private entities in providing input and teaming to support effective new programs

CONTINUED REALITIES

Your voice. Louder.

- Significant geographic disparities (some spiking/some in large reductions)
- Population behaviors are affecting efficiency/failures of efforts
- Safety in re-opening inconsistent – example – schools and universities (parental and alumni pressure)
- Large challenges for surges due to increased social (sports) and other events (Sturgis)
- Seeming differences on treatment of next steps: testing/tracing, types of testing/vaccinations

Supply Chain Status

- Inconsistent data continues. Federal agencies report supply is OK and release of stockpile inventory (much of which they say is domestic production). Some states/industries continue to report shortages of PPE, testing supplies/turnaround times.
- Quantities reported as adequate, but users report numerous issues with sizing.
- State purchasing groups express frustration on seeming delays in use of stockpile inventory and domestically manufactured products.
- Volunteer organizations (Project N95 as an example) must vet supplies for quality.
- Costs remain at highly inflated levels.

Survey Summary

(conducted June/July 2020, includes formal survey and informal feedback)

Your voice. Louder.

- Strong concern expressed for lack of information on future supply chain capacity.
- Near 25% reported other providers in respective service areas experience shortages.
- Most noteworthy shortages include: Masks (inc. N95), Gowns, Face Shields, Test Kits/Supplies.
- Other items mentioned: Caps, Sanitizer, Shoe Covers, Goggles, Wipes. All are critical to meet need to treat COVID19 and routine care from re-opening.
- Noted many ongoing issues:
  - Price gouging and pre-payment problems
  - Sizing issues
  - Product quality
  - Uncertain delivery schedules.

Volunteer Groups

- Many remain available to meet needs. Continue to work on Production/Procurement/Manufacturing needs: Angel Flight, Project Cure, Heart4Heroes, Project N95
- Informational Assistance (NRHA assisted) – Susceptibility Index from Dr. Peters at University of Iowa. Each County in the country can access data that shows index for risk of surge and allows a drill down on factors contributing to the score (show access link)
- Public Health Foundation – providing certified training programs for contact tracing

Project N95 Collaborative Agreement Details:

Your voice. Louder.

- Just signed collaborative agreement
- NRHA to provide information to members of PPE available from Project N95
- Project N95 will provide vetting of products, source product, aggregate orders, purchase products.
- Purchasers pay for product by credit card to Project N95
- Each facility receives their individual order

Re-opening Elective/Non-Emergency Services

Your voice. Louder.

Key Elements to Control Community Spread

- Testing
- Tracing
- Treatment
- Vaccine

CMS on Re-opening Facilities to Provide Non-emergent Non-COVID-19 Healthcare:

- Patient perceptions of safety in visiting healthcare facilities
- Hospitals and Clinics are safe: Am. Heart Association's "Don't Die of Doubt" campaign and video
- Adequate workforce across phases of care (such as availability of clinicians, nurses, anesthesia, pharmacy, imaging, pathology support, and post-acute care)
- In coordination with State and local public health officials, evaluate the incidence and trends forCOVID-19 in the area where re-starting in-person care is being considered

Need for Continuous Assessment

Your voice. Louder.

- Staff training is an ongoing imperative. Increasing access to training/instruction:
  - Apps – available from public and private sources from the basics of proper application of PPE to certification as a contact tracer. And now, to do lab work in a nursing home!
  - Webinars and detailed instructions from numerous State/Federal agencies
- Regulatory guidelines are ever changing and ongoing
  - Waivers are maintained for the present – prepare for some to be eliminated
  - Access to financial support/reimbursement methodologies/repayment formulas remain unclear
  - Infection Prevention Requirements in State Operations Manual dated March 20, 2020—checking/documenting temps of all HCP at start of each shift per CDC Guidelines. Surveyors using this currently

Numerous areas of serious concern remain

Your voice. Louder.

- Testing/contact tracing – changing methods and priorities
- Supply chain remains uncertain – inconsistent feedback on domestic manufacturing
- Lack of staff in many forums/excess/unaffordable staff in others
- Significant geographic differences in pandemic impact/different timeframes
- No clear path! – philosophical/political variances in direction

Congregate population challenges have not changed

Your voice. Louder.

- Meatpacking plants – “Deal With It”, “Remain Open” – we need our meat
- Prisons – while there has been some reduction in inmates, internal programs seem to be reducing risk factors
- Nursing Homes – continue to face crisis level problems. HHS making changes to improve. HHS feels problem no longer PPE. Focus is on enforcement/training/technology/money.
  - New reporting requirements for NHs summary
  - New training manuals with focus on Infection Control guidelines – feel not done well now
  - Conditions of Participation/Deficiency Levels/Fines/Loss of Admission Rights
  - Placing laboratory equipment for employee testing in house with rapid antigen testing with improved reimbursement. Providers express concern but strong emphasis
  - CDC willing to release more stockpile PPE/more funds allocated from Provider Relief Funds
  - Continued emphasis on community collaboration for more effective local decisions and control

Conclusion, Recommendations and Next Steps

Your voice. Louder.

- Surges/waves will continue without geographic consistency, FLU SHOTS! Avoid twindemic
- Currently, a continued lack of cooperation at the national level
- Vaccination efforts must be monitored with strong emphasis by NRHA for a fair share access Trump Administration's Vaccination Distribution Plan, rural is considered
- Need for:
  - Supply chain must continue to develop domestic manufacturing
  - Government openness on actions necessary. Continue with meetings to bring forth concerns/ideas.
  - Identify Best Practices. Suggest some that become evident. Find ways to implement – encourage demonstration projects and joint efforts
  - Don't wait for national/state efforts!! Reach out locally to other providers and public health/emergency management participants. Include local business interest. Initiate local COLLABORATION/JOINT EFFORTS!!!

Summary

Brock Slabach

Summary

- Rural environment for hospitals/clinics
- Reimbursement/Operations
- Operations/Supplies
- Future plans for NRHA TA Center activities

National Rural Health Association

Q/A

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