



*CT DSS- Coronavirus
Relief Fund Overview and
Grant Process*

July 9, 2020

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ACCOUNTANTS ▲ ADVISORS

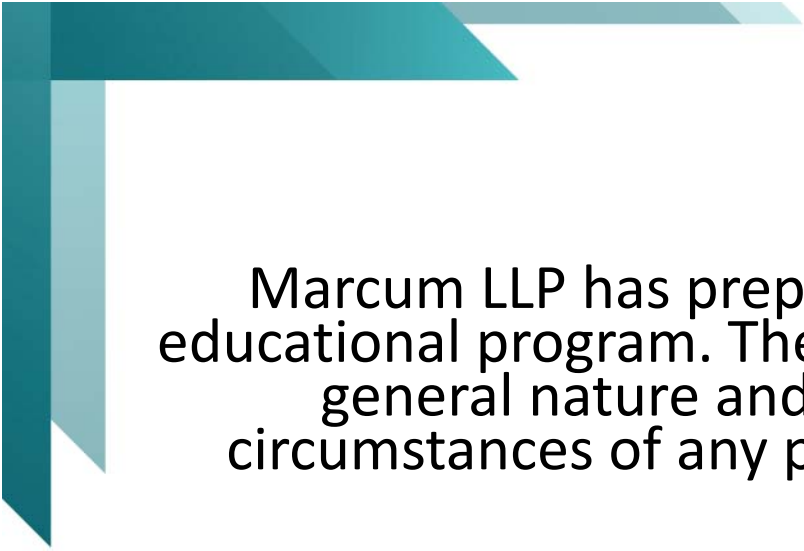
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SPEAKER INTRODUCTIONS



Matthew Bavalack,
Principal,
Advisory Services



Frank Miceli, CPA
Partner,
Assurance Services



Mary Antonetti, CPA, MST,
Partner,
Tax and Business Services

AGENDA

CRF Overview

Conditions for Receiving the Payment

Financial Records

How to Complete the Attestation

Key Dates and References

Families First Coronavirus Act

Compliance



Matthew Bavolack,
Principal, Advisory Services

CRF OVERVIEW

- The CRF represents grant fund payments to all qualifying nursing home providers in good standing in the Connecticut Medical Assistance Program (CMAP).
- April 2020 Connecticut was allocated \$1.382 billion by US Department of Treasury for the Coronavirus Relief Fund (CRF) established by the CARES act (Public Law 116-136).
- Rate Increase History

| Rate Adjustments | |
|----------------------------|-----------------------|
| 10% March – April Increase | |
| 10% April Increase | Replaced by CRF Grant |
| 20% May – June Increase | Replaced by CRF Grant |

CRF OVERVIEW (cont')

- Payments were calculated by DSS to the approximate the value of a 10% rate increase for April 2020 on the rates in effect on July 1, 2019, and approximate the value of a 20% rate increase for May and June 2020 on the rates in effect July 1, 2019 and adjusted for the projected impact of Medicare billings for a portion of COVID-positive patients.
- Payment calculation were adjusted for occupancy and payer mix. The exact calculations have not been provided by OPM or DSS.
- All amounts received are subject to an audit.

CONDITIONS FOR RECEIVING THE PAYMENT

- Complete two forms located on the DSS webpage
 - 1.) CRF Payment Form (PDF)
 - 2.) Attestation, Cost Report Hardship (Excel)
- Forms can be found at
<https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-Nursing-Home-Reimbursement/Medicaid-Nursing-Home-Reimbursement>
- Completed forms should be sent via email to:
Con-ratesetting.dss@ct.gov

STATE OF CONNECTICUT | DEPARTMENT OF SOCIAL SERVICES
55 Farmington Avenue | Hartford, CT 06105

**NOTICE OF CORONAVIRUS RELIEF FUND (CRF)
STANDARD PAYMENT AND HARDSHIP PAYMENTS FOR NURSING FACILITIES**

June 2020

In accordance with Governor Lamont's Executive Order No. 7NN, Sections 5, 7 and 8, and Section 17b-11 of the Connecticut General Statutes, the Department of Social Services (DSS) makes the CRF payment(s) detailed below.

Recipient: _____
Address: _____
CRF Payment Amount: _____

(Use Amount Listed on DSS Spreadsheet Posted at <https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-Nursing-Home-Reimbursement/Medicaid-Nursing-Home-Reimbursement>)

Hardship Relief CRF Payment Amount (if applicable): _____
(DSS will add amount after approval)

_____ Initials of Authorized Recipient Official _____ Date

My signature below, for and on behalf of the above-named recipient, indicates acceptance of the above referenced payment and further certifies that: (1) I have the authority to execute this agreement on behalf of the recipient; (2) CRF funding will only be used to cover costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); and (3) the recipient will comply with all attached Conditions.

BY: _____
Signature of Authorized Recipient Official _____ Date _____
Print Name: _____
Title: _____

SPECIFIC CONDITIONS (SC) FOR CRF PAYMENT

SC 1. The Recipient shall apply CRF payment funding only to the following:

a. Employee wages specifically related to COVID-19, including staff retention incentive payments, overtime and shift incentive payments;

1

**CRF Payment Form
PDF**

| State of Connecticut Department of Social Services Nursing Facility COVID-19 Emergency Period Reporting Form/Hardship | | |
|---|----------------------|--------------------------|
| FACILITY NAME | REPORT PERIOD | PROVIDER NUMBER |
| ADDRESS (No. & Street, City, State, Zip Code) | | |
| CONTACT PERSON'S NAME | PHONE NUMBER | EMAIL ADDRESS |
| | | Yes/No |
| Are any employees receiving paid leave related to COVID-19 under the Extended Federal Family Medical Leave Act? | | <input type="checkbox"/> |
| If the facility has exempted their employees, what other paid leave is available to employees if they need childcare, are ill, or need to isolate due to COVID? (Please describe below) | | <input type="checkbox"/> |
| | | Yes/No |
| The Connecticut Insurance Department regulates fully-insured health insurance plans, including those with high-deductible health plans, issued in the State of Connecticut only. Some employers, especially large ones, sponsor self-funded health plans that are regulated by the U.S. Department of Labor under ERISA. Those plans are now required to cover COVID-19 testing and treatment with no out-of-pocket costs due to recent changes in federal law. Will the facility comply with the directive to insurance carriers to cover COVID testing and | | <input type="checkbox"/> |

**Attestation, Cost Report Hardship
Excel**

CONDITIONS FOR RECEIVING THE PAYMENT (cont')

CRF Payment Form PDF Key Conditions

- Provider attest funds shall be applied to:
 - Staff Retention
 - Invoice Payments
 - Overtime
 - Shift Incentives
 - Screening/ PPE/ Cleaning and Related Supplies
 - Other items outlined in the CARES Act
- Compliance with 80 hours of EPSLA enacted by CARES Act (June 14th –August 31st) or Equivalent Paid Leave
- Cover medically necessary COVID-19 testing up to June 3, 2020.
- State of CT will cover testing from June 3rd - August 31st

“FINANCIAL RECORDS” ...FOR TRACKING EXPENSES AND INCOME FROM ALL SOURCES FOR FUTURE AUDITS

- All COVID-19 expenditures must be tracked separately and supported
 - Receipts, purchase orders, travel reimbursement, 3rd party contracts, payroll records, etc.
- All COVID-19 revenues received must be tracked
- Unsupported use of the CRF payments will be recouped
- Records must be maintained for a minimum of 5 years or by the state law governing record retention



Frank Miceli,
Partner, Assurance Services

HOW TO COMPLETE THE ATTESTATION?

- PDF File “Notice of CRF Standard Payment and Hardship payment for Nursing Facilities”
 - Must be completed by all providers seeking grant funding and/or requesting hardship relief
 - CRF amount per entity can be found in the portal and should be added
 - If requested, hardship DSS will add any approved amount
 - Date/Sign attestation

HOW TO COMPLETE THE ATTESTATION? (cont')

- “Excel Workbook” - Entitle “Attestation; Cost Report and Hardship Request”
 - Date should be entered
 - Facility related information along with other general information should be completed
 - Forms require disclosure of Federal Funding sought/reduced (via CARES ACT)
 - Some examples of other federal funding may include:
 - HHS
 - PPP
 - Medicare Advances
 - Disclose of use of funds
 - Related party disclosure

HOW TO COMPLETE THE ATTESTATION? (cont')

- Hardship relief (Defining hardship what is it?)
- Requires narrative explanation
- Require analytical analysis used to determine a dollar value being requested
- Filing does not automatically mean approval
- All amounts received are subject to audit and settlement.

KEY DATES AND REFERENCES

- Periods of March 1 – May 31, 2020 should be completed and submitted by June 30 or when feasible
- Period June 1 – 30 must be submitted no later than July 31, 2020
- What is to be submitted?
 - Attestation Compliance (PDF)
 - Mini-Cost Report (Excel file)
- Must file Nursing Facility COVID-19 Emergency Period Reporting Form/Hardship Request referenced above.

SUMMARY OF STATE AND FEDERAL FUNDING

| | March | April | May | June | July | August | September | October and Beyond** |
|---|--------------|--------------|--------------|--------------|----------|----------|--------------|----------------------|
| Incremental COVID Costs up to CRF Grant | CRF Routine | CRF Routine | CRF Routine | CRF Routine | PPP | PPP | PPP | HHS* |
| Incremental COVID Costs above CRF Grant | CRF Hardship | CRF Hardship | CRF Hardship | CRF Hardship | PPP | PPP | PPP | HHS* |
| Routine Payroll Costs | Medicaid | Medicaid | Medicaid | Medicaid | PPP | PPP | PPP Medicaid | Medicaid |
| Rent and Utilities | Medicaid | Medicaid | Medicaid | Medicaid | Medicaid | Medicaid | Medicaid | Medicaid |
| Revenue Loss | | | | | HHS | HHS | HHS | HHS |

Assuming Incremental COVID Costs Remain

**Until HHS/PPP forgiveness funding is fully amortized

HHS is Tranches 1-3 and potentially 4 and should be recognized after June 30. PPP forgiveness spending is estimated for illustration purposes to take more than 2 but less than 3 months



Mary Antonetti, CPA, MST
Partner, Tax and Business Services

FAMILIES FIRST CORONAVIRUS ACT (March 18, 2020)

<500
employees

<50
employees

Effective
4/1/2020 to
12/31/2020

**Refundable
tax credit**

Healthcare
exemption

**Paid sick and extended
family medical leave**

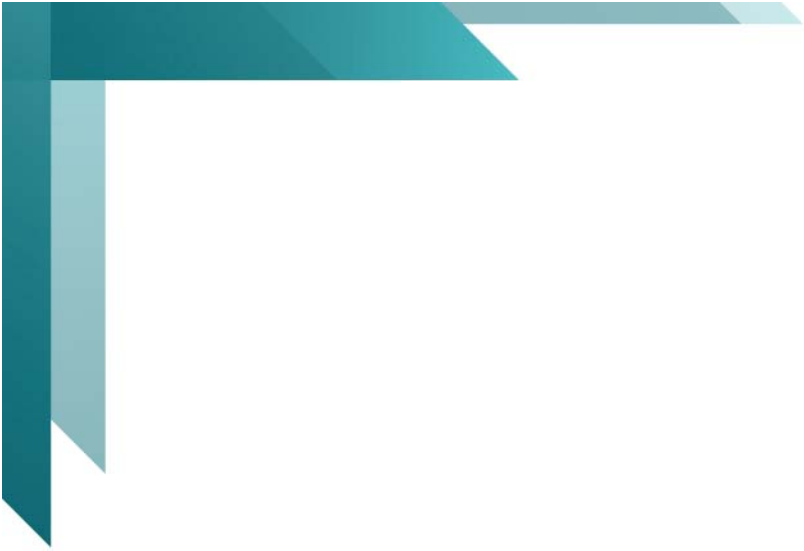
SICK LEAVE & FMLA BENEFITS

| Sick Leave | Sick Leave | FMLA |
|---|---|---|
| Up to 80 hours | Up to 80 hours | Up to 10 weeks |
| Quarantined or experiencing COVID 19 symptoms and seeking a medical diagnosis | Caring for an individual who is subject to quarantine or a child when the school or place of care is closed due to COVID-19 | Caring for an individual who is subject to quarantine or a child when the school or place of care is closed due to COVID-19 |
| | Caring for a child if the school or place of care is closed due to COVID-19 | Caring for a child if the school or place of care is closed due to COVID-19 |
| Greater of employee's regular rate of pay, minimum wage, or \$511/day | 2/3 of greater of employee's regular rate of pay, minimum wage, or \$200/day | 2/3 of greater of employee's regular rate of pay, minimum wage, or \$200/day |
| Part-time based on average in two-week period | Part-time based on average in two-week period | Average of your regular rate over a period of up to six month prior to leave |

COMPLIANCE



- Employer Notice
- Employee notice of need for leave
- Documentation of need for leave
- Health care coverage
- Return to work
- Recordkeeping



Q&A



WEBINAR PRESENTERS



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