

On October 27, HRSA released updated an updated Post-Payment Notice of Reporting Requirements (<https://www.hrsa.gov/sites/default/files/hrsa/provider-relief/post-payment-notice-reporting-requirements-october-2022.pdf>). This supersedes the reporting requirements issued on June 11, 2021. A redline of the two documents is attached. At a high level, this document expands the reporting requirements to cover the ARP Rural payments in addition to the PRF General and Targeted distribution payments.

Also note that despite the establishment of additional reporting periods with extended Periods of Availability (as detailed below), PRF and ARP Rural recipients may only use payments for eligible expenses up to the end of the quarter during which the COVID-19 Public Health Emergency (PHE) ends. Thus, depending on whenever the PHE ends, the ability to allocate PRF and ARP Rural payments to expenses and lost revenues may end sooner than the listed Period of Availability end date.

Please let us know if you have any questions or if you would like to discuss.

Key updates:

- HRSA is creating additional reporting periods (with corresponding Periods of Availability and Reporting Time Periods) as follows:

	<b>Payment Received Period (Payments Exceeding \$10,000 in Aggregate Received)</b>	<b>Period of Availability</b>	<b>Reporting Time Period</b>
<b>Period 1</b>	From April 10, 2020 to June 30, 2020	January 1, 2020 to June 30, 2021	July 1, 2021 to September 30, 2021
<b>Period 2</b>	From July 1, 2020 to December 31, 2020	January 1, 2020 to December 31, 2021	January 1, 2022 to March 31, 2022
<b>Period 3</b>	From January 1, 2021 to June 30, 2021	January 1, 2020 to June 30, 2022	July 1, 2022 to September 30, 2022
<b>Period 4</b>	From July 1, 2021 to December 31, 2021	January 1, 2020 to December 31, 2022	January 1, 2023 to March 31, 2023
<b>Period 5</b>	From January 1, 2022 to June 30, 2022	January 1, 2020 to June 30, 2023	July 1, 2023 to September 30, 2023
<b>Period 6</b>	From July 1, 2022, to December 31, 2022	January 1, 2020, to December 31, 2023	January 1, 2024, to March 31, 2024
<b>Period 7</b>	January 1, 2023, to June 30, 2023	January 1, 2020, to June 30, 2024	July 1, 2024, to September 30, 2024

- HRSA clarifies that despite the Periods of Availability in the above table, PRF and ARP Rural recipients may only use payments for eligible expenses and lost revenues incurred “only until the conclusion of the quarter in which the Public Health Emergency expires.”
- HRSA states that if a provider receives both PRF and ARP Rural payments, “the provider should apply their ARP Rural payment towards eligible health care expenses and lost revenues attributable to COVID-19 **before using PRF payments**” to cover eligible expenses or lost revenues.
- HRSA clarifies that reporting entities will submit required reports for both PRF and ARP Rural payments in the PRF Reporting Portal, and also clarifies that the ARP Rural payment recipient is the Reporting Entity, meaning the ARP Rural payment recipient must report regardless of whether a parent was obligated to distribute payments to its qualifying subsidiaries. Further, a parent entity that received ARP Rural payment is required to report on those payments (i.e., cannot be shifted to a subsidiary). Further, ARP Rural payments cannot be transferred or allocated to another payment (other than in the instance when a parent entity had an obligation to distribute payments to its subsidiaries who qualified for ARP payments).
- HRSA states that entities under the following scenarios are more likely to be audited:
  - Recipients who report a merger or acquisition
  - Entities that transfer Targeted Distribution payments
- HRSA clarifies that General Distribution Phase 4 and ARP Rural payments **must be held** in an interest-bearing account, with total reportable payments including interest earned (for PRF payments prior to Phase 4, payments were not required to be held in an interest-bearing account).
  - Subsequently, recipients will have to report interest earned on both payment types.
- For ARP Rural recipients, parent entities that received these payments on behalf of their subsidiaries must report and attest to the following:
  - Payments were distributed in accordance with HRSA’s instructions
  - The qualifying subsidiary used the payments
  - Parent will provide self-reported breakdown of each subsidiary TIN and amount allocated to that TIN
  - Parent will complete a consolidated report on how it used payments