



**UPDATED GUIDELINES REGARDING TRACKING ALLOWABLE EXPENSES FOR PROVIDER RELIEF FUND  
PAYMENTS AND REVIEW PROCESS FOR HRSA SUBMISSIONS**

**Effective December 29, 2022**

The following Guidelines provide updates and additional guidance to all University of Rochester (the University) personnel responsible for tracking and reporting on expenses attributable to COVID-19. For the University, these guidelines supplement the instructions previously provided as part of the Workday COVID-19 Financial Tracker Report.

**A. OVERVIEW**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), the Paycheck Protection Program (PPP) and Health Care Enhancement Act (P.L. 116-139), the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (P.L. 116-260), and the ARP Act of 2021 (P.L. 117-2) appropriated funds to reimburse eligible health care providers for health care-related expenses or lost revenues attributable to COVID-19. These funds were or will be distributed by HRSA. Recipients of these funds agree to terms and conditions, which require compliance with reporting requirements as specified by the Secretary of the U.S. Department of Health and Human Services (HHS).

Recipients of these funds must support all expenses with adequate documentation and maintain documents to substantiate that these funds were used for health care-related expenses or lost revenues attributable to the coronavirus. The cited expenses, as well as losses, must not have been reimbursed from other sources.

**B. ALLOWABLE EXPENSES – GENERAL AND TARGETED PROVIDER RELIEF FUND (PRF) PAYMENTS**

Reporting entities that received between \$10,001 and \$499,999 in aggregated PRF and ARP Rural payments during each Payment Received Period are also required to report on the use of these payments in two categories: (1) General and Administrative Expenses and (2) Health Care-Related Expenses.

Reporting entities that received \$500,000 or more in aggregated PRF and ARP Rural payments during each Payment Received Period are required to report on the use of the General and Other Targeted PRF payments in greater detail than the 2 categories noted above. Reporting entities that received \$500,000 or more in aggregated PRF and ARP Rural payments must report according to the following subcategories under the 2 categories noted above.

- (1) General and Administrative Expenses Attributable to COVID-19 - Subcategories
  - a. Mortgage/Rent: Payments related to mortgage or rent for a facility.
  - b. Insurance: Premiums paid for property, malpractice, business insurance, or other insurance relevant to operations.
  - c. Personnel: Workforce-related actual expenses paid to prevent, prepare for, or respond to COVID19 during the reporting period, such as workforce training, staffing, temporary employee or contractor payroll, overhead employees, or security personnel. PRF payments can also be used for a wide variety of direct and indirect costs of recruiting and retaining personnel during the pandemic. Examples of allowable personnel

retention costs include: incentive pay, retention bonuses, childcare assistance, overtime pay, temporary housing, transportation, and mental health and stress management resources. Examples of allowable personnel recruitment costs include: salaries for new or temporary staff (*not exceeding Executive Level II salaries, which are currently set at \$203,700 in 2022*), employee referrals, employment agencies and hiring bonuses.

- d. Fringe Benefits: Extra benefits supplementing an employee's salary, which may include hazard pay, travel reimbursement, and employee health insurance.
- e. Lease Payments: New equipment or software leases, such as fleet cars and medical equipment that is not purchased and will be returned to the owner.
- f. Utilities/Operations: Lighting, cooling/ventilation, cleaning, or additional third-party vendor services not included in the "Personnel" sub-category.
- g. Other General and Administrative Expenses: Expenses not captured above that are generally considered part of general and administrative expenses.

(2) Health Care-Related Expenses Attributable to COVID-19 - Subcategories

- a. Supplies: Expenses paid for purchase of supplies (e.g., single use or reusable patient care devices, cleaning supplies, office supplies, etc.) used to prevent, prepare for, and/or respond to COVID-19 during the reporting period. Such items may include PPE, hand sanitizer, supplies for patient screening, or vaccination administration materials.
- b. Equipment: Expenses paid for purchase of equipment, such as ventilators, refrigeration systems for COVID-19 vaccines, or updates to HVAC systems.
- c. IT: Expenses paid for IT or interoperability systems to expand or preserve COVID-19 care delivery during the reporting period, such as electronic health record licensing fees, telehealth infrastructure, increased bandwidth, and teleworking to support remote workforce.
- d. Facilities: Expenses such as lease or purchase of permanent or temporary structures, or to retrofit facilities to accommodate revised patient treatment practices, used to prevent, prepare for, and/or respond to COVID-19 during the reporting period.
- e. Other Health Care-Related Expenses: Expenses, not previously captured above, that were paid to prevent, prepare for, and/or respond to COVID-19.

PRF payments can be used by any provider of health care, services, and support in a medical setting, at home, or in the community towards health care-related expenses attributable to coronavirus that another source has not reimbursed and is not obligated to reimburse.

### **C. UPDATED GUIDANCE FROM HRSA REGARDING THE USE OF PRF PAYMENTS**

The HRSA has provided additional guidance regarding the use of PRF payments in a Notice dated October 27, 2022 ([October 27 Post-Payment Notice of Reporting Requirements](#)). Additionally, the HRSA provides [Reporting and Auditing FAQs](#) on its website. University personnel with Cost Center, Company and Entity level responsibility as noted below are responsible for reviewing this updated guidance.

### **D. PROCESS FOR TRACKING AND REVIEWING COVID-19 EXPENDITURES – PRIOR TO HRSA PORTAL SUBMISSIONS**

All University personnel responsible for tracking and reporting on expenses attributable to COVID-19 must review these Guidelines and ensure that expenses reported as COVID-19 expenditures qualify as



allowable expenditures, as detailed above. The University provided documentation guidance and instructions for reporting allowable expenses for PRF payments as part of the Instructions to Complete the Workday COVID-19 Financial Tracker Report, which was distributed to all University departments.

(1) Cost Center / Department / Unit level responsibility

University personnel who have cost center level approver responsibility in Workday have primary responsibility for ensuring that the Workday COVID-19 Financial Tracker Report for their cost center/ department/unit is completed in accordance with these Guidelines and the Tracker Instructions. Completion of the Workday COVID-19 Financial Tracker Report requires that Trackers contain the appropriate sign-offs for both Preparer and Reviewer at the cost center / department / unit level.

When completing the Tracker, it is important to consider whether any health care-related expense attributable to COVID-19 has been reimbursed from another source, such as from another grant. Reimbursement from another source for the COVID-19 expenditure precludes the ability to claim the COVID-19 expenditure in the HRSA portal.

(2) Company level responsibility (in Workday)

Designated individuals at the Company level (in Workday Financials) are responsible for ensuring that trackers are complete and reviewed for reasonableness, prior to signing off as approver on the assigned company level data. This should include enforcing that cost center level sign-offs are present on submitted trackers. The individual responsible at the Company level is responsible for ensuring data that has been completed by designated individuals at the cost center / department / unit level, and reviewed at the Company Level, is logged and submitted for consolidation in the University's COVID-19 Impacts Database. Sign-off as approver at the company level indicates that all information in all tabs is complete and has been reviewed for reasonableness.

(3) Entity level responsibility

At the entity level, the HRSA Portal Worksheets must be used to compile the COVID-19 unreimbursed expenditures that have been reported in the Company level trackers. The HRSA Portal Worksheets of each entity are to be reviewed and approval should be documented by the following:

- a. University and Medical Center Divisions – Sr. Director of URM Finance and SMH CFO
- b. Affiliate entities – CFO of each affiliate

(4) Organization wide responsibility

After the entity-level review noted above, the Office of University Audit and the URM Office of Integrity and Compliance will review a sample of the COVID-19 expenditures identified by each entity and ensure that the identified expenditures align with these Guidelines.

**E. PROCESS FOR REVIEWING UNIVERSITY AND AFFILIATE ENTITY HRSA PORTAL SUBMISSIONS**

(1) Entity level responsibility



At the entity level, the following offices are responsible for compiling the HRSA portal submission report:

- a. University and Medical Center Divisions – URMIC Finance
- b. Affiliate entities – Controller’s Office of each affiliate

Once the HRSA Portal Worksheets have been used for data input in the HRSA Portal, but PRIOR TO SUBMISSION, it should be printed and reviewed for completeness and accuracy by the CFO of each entity. The CFO of each entity must document approval of the HRSA portal submission report. This approval documents agreement with the allowable expenses and lost revenue calculation, reflected in the HRSA portal submission report.

(2) Organization wide responsibility

After the entity-level review noted above, the URMIC CFO will review and document approval of each University and affiliated entity HRSA portal submission report to ensure completeness and reasonableness. This step must also take place PRIOR to submission to the HRSA.