Department of Social Services Coronavirus Relief Fund (CRF) Nursing Home Grants

Frequently Asked Questions (FAQ)

Question: What is the process for receiving a CRF grant?

Answer:

First, please access all required documents at this section of the link below: ***NEW!*** **June 9, 2020 - Coronavirus Relief Fund (CRF) Grant Payments to Qualifying Nursing Home Providers**

https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-Nursing-Home-Reimbursement/Medicaid-Nursing-Home-Reimbursement

A nursing home that wishes to receive a CRF grant must complete two forms located at the DSS webpage. The forms are titled 'CRF Payment Form' (PDF) and 'Attestation, Cost Report, Hardship' (Excel). The Excel document is what is referred to as the COVID short period cost report document and is not the typical cost report filed annually by nursing facilities.

Please download and complete both forms and return to the Department by emailing completed documents to: con-ratesetting.dss@ct.gov

Facilities experiencing hardship that is over and above the CRF grant payment amounts may complete and submit the "Hardship" tabs located within the 'Attestation, Cost Report, Hardship' Excel file to the above mailbox

Question: How did DSS determine the amount of the grants, and what period of time do they cover?

Answer:

The standard CRF payments were calculated by DSS to approximate the value of a 10% rate increase for April 2020 on the rates in effect on July 1, 2019, and to approximate the value of a 20% rate increase for May and June 2020 on the rates in effect on July 1, 2019, adjusted for the projected impact of Medicare billings for a portion of COVID-positive patients. Standard CRF payments will be distributed based upon the most recent full quarter of data for the January to March 2020 period to ensure that it closely approximates the total of the expected rate-based distribution that would have occurred under Medicaid. This is explained below in more detail.

The product of July 1, 2019 individual facility rates and the estimated Medicaid days based upon the 2018 cost report data served as the underlying framework for the calculation. A 10% adjustment against this product for a thirty-day period served as the April grant estimate. A 20% adjustment against this product for a sixty-one day period served as the grant estimate for

the months of May and June. This sum ($58.0m) established the baseline grant estimate to which the following adjustments were applied:

- Medicaid cost report days for the 2019 cost reports came in 33,875 days under the 2020 aggregate estimated cost report days used in the baseline calculation. Adjustments were made based upon an estimate of the monthly allocation of the census day reduction times the appropriate grant increase adjustment for each month ($24.42 for April and $48.84 for May and June), reducing the overall grant by $0.35m.

- Information shared by the industry regarding the transfer of COVID positive patients to Medicare during the grant period indicated that 75% of COVID positive patients would shift the Medicare. A decrease in grant funds was calculated based upon an average of 1,557 patients per month transferring to Medicare during the grant period. The prorated adjustment removed the 10% increase for the month of April for patients assumed to shift (46,721 days at $24.42 per diem; $1.1m), and the 20% increase for the months of May and June (95,000 days at $48.84 per diem; $4.7m).

The overall adjusted grant amount was then distributed based upon the most recent full quarter of actual Medicaid claims-based payment data for the January to March 2020 period, compiled based upon date of service. The date of the data query used for this proration of the overall grant amount to each individual facility was May 20, 2020.

In reviewing the methodology and data for the calculation, we recognized that ten homes had incorrect days utilized in the proration of the aggregate grant award by home. The grant was increased in aggregate as a result and the adjusted awards for those homes are shown below:

Facility Name	Orig CRF Grant	Revised CRF Grant
Skyview Rehab and Nursing	$334,481	$143,697
Avery Nursing Home	$159,421	$414,431
RegalCare at Greenwich	$163,603	$153,146
Autumn Lake Healthcare at Bucks Hill LLC	$135,771	$159,785
Meridian Manor Corporation	$441,923	$113,779
Westside Care Center	$305,785	$548,098
Fox Hill Center	$152,613	$245,413
Bishop Wicke Health & Rehab. Ctr.	$89,945	$172,758
Cobalt Lodge Health Care & Rehab. Ctr	$390,506	$82,317
Regal Care at New Haven	$24,916	$482,417

Question: Given that the deadlines identified in the cover letter have passed, what are the new deadlines for the cost reports?

Answer:

The Commissioner has approved June 30 and July 31, 2020 as the short form COVID-specific cost reports due dates. In addition, June 30 and July 31, 2020 are also the due dates for the COVID-specific short form cost report to be used for hardship request purposes. Homes should submit the reports due on June 30 as soon as is feasible.

Question: Is the State anticipating a retroactive assessment or recoupment against SNF providers for testing that was previously billed directly to the State through July 15th per recent DPH calls or only testing after that date?

Answer:

There will be no retroactive recoupment for testing costs between June 3, 2020 and August 31, 2020. CRF funding may be used to cover the cost of testing. As a condition of receiving a CRF nursing home grant and, in conjunction with the State's mandates around nursing home employee testing, nursing homes must conduct mandatory testing of nursing facility staff pursuant to all applicable Executive Orders, as may be issued. *See, e.g.,* Executive Order No. 7UU and Executive Order 7AAA.

https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-7AAA.pdf

Question: What amount and type of paid leave are homes required to cover, as a condition of receiving CRF grant funds?

Answer: As a condition of receiving CRF grant funds, nursing homes must:

- if eligible, elect coverage under the Families First Coronavirus Response Act (FFCRA) and provide at least two (2) weeks paid sick leave to staff who 1) test positive for COVID-19; 2) are quarantined for COVID-19; or 3) show symptoms of COVID-19 infection; or
- provide equivalent leave.

In either of the above scenarios, the paid sick leave benefit must be consistent with the benefit set forth in FFCRA – that is, up to two weeks (80 hours, or a part-time employee's two-week equivalent) of paid sick leave based on the higher of their regular rate of pay, or the applicable State or Federal minimum wage, paid at 100%, up to $511 daily and $5,110 total.

If the nursing home has elected FFCRA coverage and one or more of its employees have already used their two weeks of paid sick leave, the nursing home will be required to cover an additional two-week period of sick leave if an individual tests positive after June 14, 2020.

Note that nursing homes are not required to cover FFCRA leave related to caregiving or childcare.

Question: Are self-insured nursing homes required to cover COVID-19 testing and treatment with no out-of-pocket costs for all of their employers and their dependents, as a condition of receiving CRF grant funds?

Answer:

For background purposes, the Connecticut Insurance Department's Bulletin IC-39 encouraged carriers to waive cost sharing for COVID-19 testing and telemedicine related to medical advice and treatment of COVID-19. The intent of the Bulletin is to eliminate obstacles to COVID-19 testing for fully insured consumers. CID has confirmed that all health carriers not only complied with the waiving of cost share for COVID-19 testing, they voluntarily waived cost sharing for COVID-19 treatment, for their fully insured market. All but one carrier offered the same to employers of self-funded plans on an opt-out basis, while one offered it on an opt-in basis.

As a condition of receiving a CRF grant, nursing homes must have covered medically necessary COVID-19 testing and treatment with no out-of-pocket costs for their employees and their dependents up through June 2, 2020. The State has confirmed that it will cover the costs of testing nursing home staff from June 3, 2020 through August 31, 2020. The State will be reaching out to the testing contractors to determine whether those contractors can offer the State's testing rates to nursing homes after August 31, 2020.

Question: Where can nursing homes locate the cost report forms for the CRF grants?

Answer:

As outlined in the cover letter and in the DSS Standards, two documents are required when providers submit their requests for CRF payment. Both the 'CRF Payment Form' and the 'Attestation, Cost Report, Hardship' forms are required as the pool of funds is federal, and there are specific requirements in order to meet the federal CRF guidelines. Both forms are available at the DSS website.

The COVID-19 specific cost report is the Excel document titled 'Attestations, Cost Report, Hardship.' Providers are asked to complete the document to the best of their ability, and to list all COVID-19 costs for the period between March-April and May-June. The document also

contains a tab for costs related to hardship that are over and above the CRF grant amount. Enhanced income reported should be revenue received and anticipated to be retained.

https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-Nursing-Home-Reimbursement/Medicaid-Nursing-Home-Reimbursement

Question: Is enhanced income intended to mean income defined under generally accepted accounting principles (GAAP)?

Answer:

Enhanced income reported should be revenue received and anticipated to be retained.

Question: What types of documentation are required for the CRF grant? Is a separate audited financial statement required?

Answer:

Only costs and expenses incurred due to the COVID-19 public health emergency, consistent with federal law and CRF guidance, and with supporting documentation, will be eligible for CRF payments. Since nursing home providers may be asked to submit supplemental reports and additional documentation outlining these incurred COVID-19 related costs, the Department reserves the right to ask for any necessary documentation to substantiate costs associated with CRF grant funding. These documents may include audited financials as well as other examples outlined in the DSS Standards document featured on the DSS website: https://portal.ct.gov/-/media/Departments-and-Agencies/DSS/Medicaid-Nursing-Home-Reimbursement/DSS-Standards---CRF-Pmts-NF---06-08-2020.pdf

If the Department makes such a request for additional documentation, nursing homes will be given time to gather it. In addition, to minimize additional cost to homes, the Department will work with facilities that do not have audited financial statements.

Question: What is process for and deadline associated with making a request for a CRF hardship grant?

Answer:

Hardship requests must be received by the Department by June 30, 2020 (for the period of March 1, 2020 through May 31, 2020) and July 31, 2020 (for the month of June 2020). Each hardship request will be reviewed individually, as hardship requests are unique to each provider's specific circumstance. Hardship requests will not be granted solely based on

historical bed census or low census resulting from the COVID-19 emergency. Homes should submit hardship requests that are due on June 30 as soon as is feasible.

If a hardship request is approved by the DSS Commissioner, the involved home will receive an additional CRF grant. This will not affect the home's Medicaid rates.

Question: Will DSS be providing additional CRF or other State funding after June 30, 2020 to reimburse COVID-19 related costs since the Governor's emergency declaration will be in place and COVID activity will remain in the community?

Answer:

No. The funding period ends June 30, 2020.

Question: The Emergency Period Reporting form contains a line that states number of days with positive COVID-19 diagnosis. Nursing facilities with low or no confirmed COVID cases implemented the same precautions and expenditures needed to be taken to prevent the virus from entering the building. For facilities that do not have any confirmed cases, or low cases, will this be used to calculate the amount of funding received?

Answer:

Please see response to question above regarding the calculation for grant funding amounts.

Question: What type of support will satisfy "costs related to screening of visitors"? May this be interpreted to include additional costs incurred due to the required screening of employees, contractors, and vendors?

Answer:

Yes, screening costs for any type of visitor to a facility would be covered. Additionally, wages paid to additional employees or contract workers required to screen visitors and staff of the facility, to include contractors and vendors, should be included in employee wages on the COVID reporting form and be supported by payroll register or vendor invoices. Any non-wage related costs incurred to screen staff/visitors should be a new expense not previously incurred in the past and reported on the COVID reporting form line specific to Costs Related to Screen Visitors/Staff and should be supported by invoice.

Question: General condition 8: What specific language is required to be added to subcontractor's contract? Could the State provide examples of types of subcontractors they are considering or referring to here?

Answer:

This is general language that was adapted from the provider enrollment agreement and is applicable only to the extent a provider uses subcontractors to perform certain services. Nursing home facilities are responsible for determining whether CRF payments require any changes to particular subcontracts.

Question: General condition 9: Will any part of DSS or OPM standards be considered or implemented retroactively?

Answer:

In general, the State does not anticipate that the DSS or OPM standards would be implemented retroactively. The current DSS standards apply primarily to cost report details, which apply to all reports submitted as part of this process—some of which are for prior periods but for current cost report submissions.

Question: General condition 12: Has the State implemented a CRF program compliant with Federal Guidelines? Will a provider be reimbursed directly by the State if the State failed to qualify for the Federal program?

Answer:

The State is carefully constructing the CRF program to comply with CRF federal requirements and guidance, which is why the state has established the details of the requirements in the CRF documents and is requiring documentation from nursing homes as part of the cost report process. Any federal disallowance specific to nursing home CRF payments would be highly unlikely so long as the nursing home was complying with these requirements, in accordance with the CRF documents.

Question: General condition 16: If recipient that attests and is eligible for funding through the CRF plan but has a prior DSS balance of indebtedness, will the request automatically be reduced by the remaining balance? If so, this recovery is against prior indebtedness. Is it compliant for DSS to use these Federal dollars to offset the indebtedness or is this a potential disallowance that would be assessed against the State?

Answer:

CRF is a grant payment and the grant cannot be used towards indebtedness. Provider balances due to Medicaid rate issues and CRF grant payments will remain separate for accounting/offset purposes.

Questions related to the Excel cost report file titled 'Attestations, Cost Report, Hardship' that is required to be completed by nursing homes and submitted to the Department:

1. **Resident Day Information: Number of Days columns – Shouldn't we also be accounting for Medicare Advantage, Commercial Insurers, and Private Pay residents?**

   Answer: DSS has revised the form to include a column to capture "Other" resident days to properly calculate and review reimbursement.

2. **Expenditures questions: What is meant to be filled into the "Revenue Received" column?**

   Answer: Revenue received should include the amount of revenue reported in the revenue section above used to fund the specific expense line item. The revenue reported should include Federal, State and local Coronavirus Relief Fund revenue to include grants, loans and payroll protection loans. The amount of revenue reported should be the percentage of payments the provider anticipates to be retained. An attached detailed schedule to include Revenue Source, % of Payments to be Retained and Good or Services Purchased with Funding is recommended to limit requests for additional information.

3. **Expenditures questions: If you created a separate COVID-positive unit (not an official recovery center), can all related payroll expenses be considered COVID-related? Can all PTO costs related to COVID-related quarantine and/or illness be considered COVID-related expense?**

   Answer: All costs incurred during the emergency period for employee wages, employee incentive payments, overtime wages, shift incentive payments, employee benefits, contract staffing and cleaning and housekeeping supplies should be reported on the COVID reporting form. The increase in these expenditures will be compared to prior year to verify they align with CRF payments. Costs related to screening of visitors/staff and other COVID-related expenditures should be new costs not incurred in a prior period.

4. **Testing Expense: As employers attempt to estimate the cost of testing staff weekly through September 9, can they assume that they will be able to avail themselves of the state contracted testing rates?**

Answer: The State will be reaching out to the testing contractors to determine whether those contractors can offer the state's testing rates to nursing homes after August 31, 2020.

5. **Revenue: If an employer did provide coverage under the federal Emergency Paid Sick Leave Act and they received a tax credit, where do they account for this tax credit amount on the forms?**

   Answer: Tax credits are not required to be reported as revenue. Only tax refunds are required to be reported.