



## **Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Funding for Office of Long-Term Living (OLTL) Nursing Facility (NF) Providers**

Governor Wolf recently signed Act 24 of 2020, which allocates funding from the federal Coronavirus Aid, Relief, and Economic Security Act – also known as the CARES Act. Funding from Act 24 must to be used to cover necessary COVID-19 related costs incurred between March 1, 2020 and November 30, 2020. Act 24 includes \$457,000,000 of COVID-19 relief funds for providers of Long-Term Living Programs. To qualify for the one-time payment, a person or entity must be in operation as of March 31, 2020. This funding includes the following payments to providers of NF services:

- **COVID-19 NF Payment #1**

The total funds available for a one-time COVID-19 payment to Non-Public and County NFs pursuant to Act 24 (NF COVID-19 Payment #1) is \$196,000,000. Each facility's COVID-19 NF Payment #1 is calculated by dividing the facility's Medical Assistance (MA) days, as reported for the NF Assessment for the third quarter of calendar year 2019 by 4,982,056, the total 2019 MA days for all facilities, as reported for the NF Assessment for the third quarter of calendar year 2019 to obtain an NF specific quotient. Each NF's quotient is multiplied by \$196,000,000 to determine their payment amount.

- **COVID-19 NF Payment #2**

The total funds available for a one-time COVID-19 payment to Non-Public and County NFs pursuant to Act 24 (NF COVID-19 Payment #2) is \$49,000,000. Each facility's COVID-19 NF Payment #2 is calculated by dividing the facility's licensed NF beds as of March 31, 2020 by all licensed non-public and county NF beds as of March 31, 2020 to obtain an NF specific quotient. Each NF's quotient is multiplied by \$49,000,000 to determine their payment amount.

OLTL is preparing the distribution of the funds as one-time gross adjustment for NFs currently enrolled as MA providers with the Department. Providers should expect to see the payment appear as a gross adjustment transaction/lump sum payment on a PROMISe remittance advice with payment issuance occurring nine days after the transaction appears on their remittance. OLTL's intention is to distribute the payments in July. Payment information will be posted to the Department's website at: <https://www.dhs.pa.gov/providers/Providers/Pages/Long-Term-Care-Providers.aspx>.

Providers enrolled in MA do *not* need to submit requests for the funding. All currently enrolled NFs will receive the funding provided they meet the criteria as described above. NFs who are not currently enrolled with MA must supply their federal tax identification number (FEIN) in order for payment to be made. NF, who are not enrolled in MA, must complete the attached form and email it to the Department at: [covidpayments@pa.gov](mailto:covidpayments@pa.gov) by July 31, 2020. Providers may also fax the form to the OLTL Bureau of Finance at 717-787-2145. Checks will be issued and mailed after the form is received.

**Act 24 of 2020 requires these funds to be expended by November 30, 2020 or returned to the commonwealth. Additionally, these funds must be used for COVID-19 related expenses incurred**

**between March 1, 2020 and November 30, 2020. Providers must keep documentation to prove that these funds were used for their response to the COVID-19 pandemic in case of an audit. Any person or entity accepting a COVID-19 payment agrees to provide documentation to the Department, upon request, for purposes of determining compliance with Act 24 requirements. Instructions on expenditure reporting will be provided in the future.**

Providers are advised to review guidance and frequently asked questions about eligible expenses on the U.S. Department of Treasury website:

Guidance: <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

Frequently Asked Questions: <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>