American Rescue Plan Act (ARPA) Act 54 Payments – Notification, Instructions, and Timelines for Nursing Facilities (NF) Not Enrolled in the Medical Assistance (MA) Program

Governor Wolf signed Act 54 of 2022, which allocates \$131.157 million of federal funding from the American Rescue Plan Act (ARPA) for payments to nursing facilities (NF). \$104.926 million will be allocated to NFs based on Medical Assistance (MA) days of care for the third quarter of calendar year 2021 and \$26.231 million will be allocated based on licensed beds for all NFs as of July 1, 2022. To qualify for the one-time payment, a facility must be in operation as of July 1, 2022.

These one-time ARPA funds must be used for COVID-19 related costs not otherwise reimbursed by federal, state, or other sources of funding. The Office of Long-Term Living (OLTL) will notify providers of the details about the payments, including information about the approved use of and reporting on these funds in early September 2022.

NFs not enrolled in the MA program must complete and submit an <u>Act 54 Acceptance Form</u> electronically or download a hard copy and return it to the Department. The hard copy form will be posted on the <u>DHS Long-Term Care Providers page</u> in early September 2022. NFs completing the electronic acceptance form should put zeros in the responses to questions 15 and 16. Questions 15 and 16 pertain to personal care homes and assisted living residences.

NFs enrolled in the MA program do not need to complete the Act 54 Acceptance Form.

OLTL will begin issuing payments and mailing checks in Fall 2022. An <u>Act 54 Facility Acceptance Form</u> must be completed before a payment can be issued to a NF not enrolled in the MA program. While there is <u>NO DEADLINE</u> to complete the form, payments will be processed in the order in which forms are received.

Additional information on Act 54, payment amounts and approved use of this funding will be available at the DHS Long Term Care Providers page.

Act 54 of 2022 requires the ARPA funding to be obligated by December 31, 2024, and spent by December 31, 2026, or returned to the commonwealth. Additionally, these funds must be used for COVID-19 related expenses. 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 an ARPA payment agrees to provide documentation to DHS, upon request, for purposes of determining compliance with Act 54 requirements. Instructions on expenditure reporting will be provided at a later date.

DHS recommends that providers consult their accountants or attorneys for further clarification on acceptable uses of ARPA funding. DHS encourages providers to review guidance for eligible expenditures on the U.S. Department of the Treasury website in their Compliance and Reporting Guidance.

Any questions about this information or the Facility Acceptance Form should be sent to PW, OLTLCovidPayments RA-PWOLTLCOVIDPYMNT@pa.gov.