



Finance Office Hours for Health Centers:

Strategies to Manage Operations During COVID – 19

April 17, 2020



1

THE NACHC MISSION

America's Voice for Community Health Care

The National Association of Community Health Centers (NACHC) was founded in 1971 to promote efficient, high quality, comprehensive health care that is accessible, culturally and linguistically competent, community directed, and patient centered for all.



2

Agenda

- | | |
|---------------------------------|-------------------------|
| 1 OFAM Update | 4 Voices from the Field |
| 2 Strategic Planning & Cashflow | 5 Resources |
| 3 Medicare Update | |



www.nachc.org

@NACHC     | 3

3

Key Fiscal and Grant Management Reminders

- Account for all funding separately in General Ledger
 - H80 (base), H80 (supplemental), H8C, H8D
- Maintain supporting documentation for all expenditures
 - Including pre-award costs (January 20, 2020 – date of awards)
- Develop and implement policies and procedures to address unexpected or emergency circumstances
 - Hazard / premium pay, furlough pay, leave policy, reassignment, lost productivity, etc.



@NACHC    

4

4

Key Fiscal and Grant Management Reminders

- Rebudgeting
 - H80 and H8D - Prior approval is required if **significant rebudgeting**
 - exceeds 25% of the total federal budget OR for a line item that HRSA did not approve (i.e. supplies, other)
 - H8C – does not require prior approval but must be for allowable costs
- All costs utilizing federal funds need to align with current H80 scope, terms and conditions, and 45 CFR 75 (Cost Principles)
- 45 CFR Part 75 requirements are still applicable and need to be followed unless explicitly stated on the NOA or noted in the OMB flexibilities
 - Single Audit completion and submission flexibility of up to 12 months beyond the normal due date for non-delinquent audits



5

Key Fiscal and Grant Management Reminders

- Pre-award Costs (January 20, 2020 – date of awards)
 - CANNOT be costs already supported with H80 or H8C funding.
 - Maintain supporting documentation and adjusting journal entries to identify changes in funding source
- Program Income
 - Can only be used for allowable costs
- One-Year Awards –will require a prior approval no cost extension to continue to expend funds beyond the end date of the award
- Refer to HRSA and BPHC FAQ's and staff if you have any questions on allowable and unallowable costs.



6

Coronavirus Disease 2019 (COVID-19) Frequently Asked Questions

For the most up to date information and FAQ's
visit us at:

<https://www.hrsa.gov/grants/manage-your-grant/COVID-19-frequently-asked-questions>

and

<https://bphc.hrsa.gov/emergency-response/coronavirus-frequently-asked-questions.html>



@NACHC    

7

7



Strategic Planning & Cash Flow Management

8

Planning for Tomorrow

- Short-term strategic planning is vital
 - Cash flow
 - Staffing
 - Initiatives
- Carefully analyze planned uses of new grant funds and other crisis funding
- Hope for the best, plan for the worst

| 9

9



Grants Management Strategies

10

HEALTH CENTER STRATEGY – Avoid Double Dipping!






<ul style="list-style-type: none"> • Payroll Protection <ul style="list-style-type: none"> • (Reduced for FFCRA Tax Credits) 	<ul style="list-style-type: none"> • Telehealth Grant Funding • Contributions / Grants from State and Local Charities 	<ul style="list-style-type: none"> • COVID-19 Funding – H8C • COVID-19 Funding – H8D • Future COVID-19 Funding – H8??....
<ul style="list-style-type: none"> • Ryan White and WIC – COVID-19 Funding 	<ul style="list-style-type: none"> • 330 Grant 	<ul style="list-style-type: none"> • CARES Act Provider Relief Payment #1 • CARES Act Provider Relief Payment #2

www.nachc.org 11

11

Grants Management Concepts

- Uniform Grant Requirements Still Apply
 - Matching Revenue / Expenses in general ledger
 - No Double dipping..
 - Which grant / funding stream should I use first?
 - Break out records from the beginning
 - **The reconciliation will come...**
 - COVID-19 Extension Concept
 - Vs.
 - 330 Grant carryover concepts
 - Cash Management concepts to remember
 - Cash flow shortages are a practical trap..
 - Minor Alteration / Renovation Considerations


@NACHC    

12

Grants Management Concepts

- Uniform Grants Guidance Still Applies
 - Procurement and program income reminders
 - Micro Purchase – Under \$10,000
 - Small Dollar – Between \$10,000 and \$250,000
 - Purchases in excess of Simplified acquisition threshold - \$250,000
 - Time and Effort / System of Internal Controls supporting allocation of salary and wage expense to federal awards
 - Direct care vs. administrative expenses
 - Budget vs. Actual



@NACHC    

13

Grants Management Strategies

- Budgeting for COVID-19 (H8C) vs CARES Act (H8D)
 - Flexibility to maintain or increase Health Center Capacity during the coronavirus-related public health emergency to Prepare, Prevent, and Respond to Coronavirus
 - COVID-19 pandemic specific expenses
 - Support revenue shortfalls by supporting existing expenses
 - HRSA authorized pre-award expenses dating back to January 20th
 - Minor Alteration and Renovation (H8D only)
- Re-budgeting
 - 330 grant (25% or \$250,000)
 - Budget lines with \$0 in federal column



@NACHC    

14



Contact Information

- Jeffrey Allen – jeallen@bkd.com, @chccpa
- David Fields – dfields@bkd.com, @DavidFieldsCPA
- Catherine Gilpin – cgilpin@bkd.com, @GilpinCat
- 417.865.8701

www.nachc.org

| 15

15



NATIONAL ASSOCIATION OF
Community Health Centers®

Update on Medicare

| 16

16

FQHC Distant Site Telehealth Services

- January 27 to June 30, 2020 Using Modifier 95
- July 1 until the end of COVID-19 Public Health Emergency use the G2020 code
- Reimbursement rate \$92
 - The average amount for all PFS telehealth services

<https://www.cms.gov/files/document/se20016.pdf>

<https://www.cms.gov/files/document/covid-19-faqs-rhcs-fqhcs.pdf>



@NACHC    

17



NATIONAL ASSOCIATION OF
Community Health Centers

Voices from the field

| 18

18

Patrick Sallee

CEO, Vibrant Health, Wyandotte County, KS



Patrick Sallee has been the CEO of Vibrant Health for 3 years. When he joined the organization they were in the process of merging operations with two other safety net clinics in Wyandotte County, KS.

In the last three years Vibrant Health completed the merger, acquired an additional women's health practice, secured Look Alike status and then in 2019, full FQHC status.

Mr. Sallee has a Master's degree in Public Administration from the University of Missouri-Kansas City and has worked in the nonprofit and human services sector in Kansas City for 15 years.

Contact Information

Telephone: (913) 320-2607

Email: psallee@vibranthealthkc.org

Website: vibranthealthkc.org



@NACHC    

19

Barrett Hatches, PhD

CEO, Chicago Family Health Center, Chicago, IL



Barrett Hatches joined Chicago Family Health Center in February 2014. He manages an operating budget of more than \$20 million and oversees more than 200 staff members including physicians, dentists, administrative, clinical and support staff across five health center sites.

Mr. Hatches has extensive experience in community health having served as CEO and Chief Operating Officer at Swope Community Enterprises, an FQHC serving the greater Kansas City area.

Mr. Hatches received his Ph.D. in urban higher education from Jackson State University in Jackson MS and a M.A. in business from Webster University in Kansas City, MO.

Contact Information

Telephone: 773-768-5000

Email: bhatches@chicagofamilyhealth.org

Website: chicagofamilyhealth.org/



@NACHC    

20

Resources

- **Reduced Workflows and Staffing Guidance for Non-Clinical Operations**

<https://cdn1.digitellinc.com/uploads/nachc/articles/f6261a7b3a88e14e6dfcd7c83880be28.pdf>

- **NGS “Let’s Chat with FQHC and RHC Providers: COVID-19 Updates**

<https://register.gotowebinar.com/register/1673921097648824331>

- **National Network of Oral Health Access COVID-19 Resources**

<http://www.nnoha.org/covid-19-coronavirus/covid-19-coronavirus-resources/>

- **Grants, Loans, and Other Cashflow Options**

<https://www.nachc.org/wp-content/uploads/2020/04/Grants-loans-other-fin-optns-durg-COVID-as-of-4-15-2020.pdf>

- **BKD COVID-19 Video Series**

https://players.brightcove.net/627943769001/default_default/index.html?videoId=6146359021001

https://players.brightcove.net/627943769001/default_default/index.html?videoId=6147838366001

https://players.brightcove.net/627943769001/default_default/index.html?videoId=6148656726001



www.nachc.org

@NACHC     | 21

21

ARE YOU LOOKING FOR RESOURCES?

Please visit our website www.healthcenterinfo.org



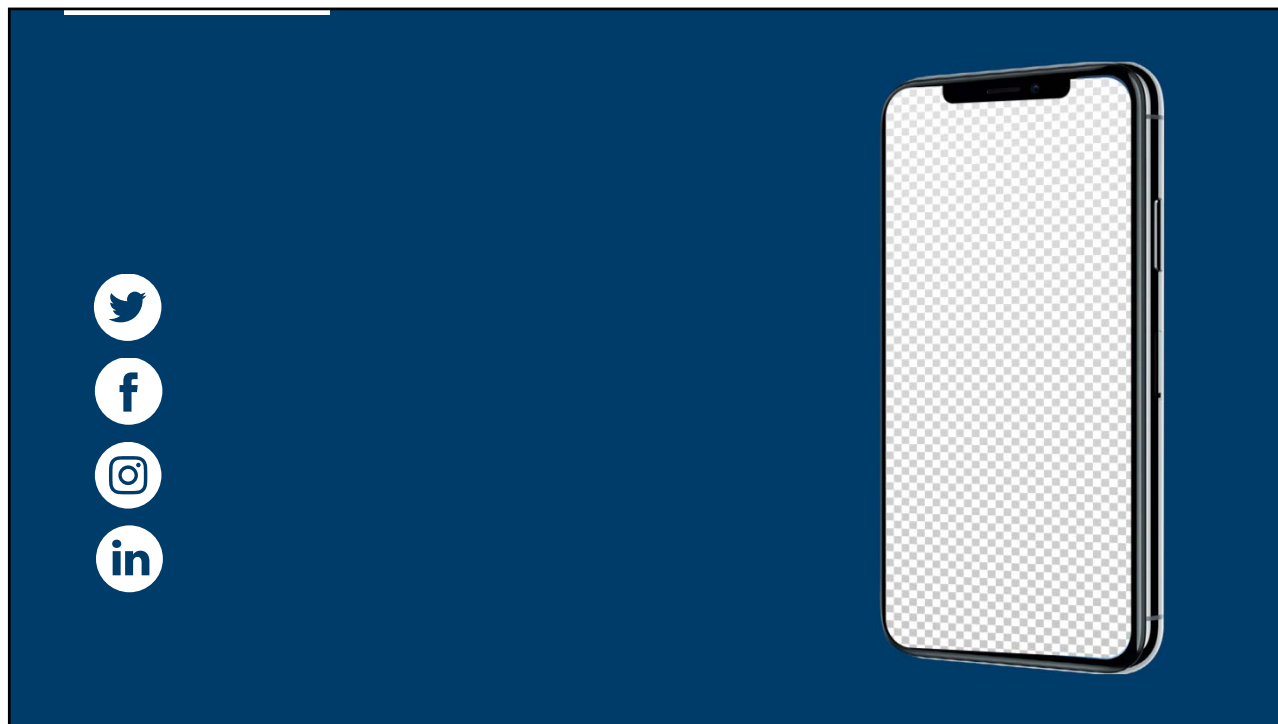
**HEALTH CENTER
RESOURCE
CLEARINGHOUSE**



www.nachc.org

@NACHC     | 22

22



23