



COVID-19 HEALTHCARE FACILITY ACTION CHECKLIST

THE COVID-19 HEALTH CRISIS HAS CREATED UNPRECEDENTED SITUATIONS FOR HEALTHCARE PROVIDERS AND FACILITIES.

At **Casey Peterson, LTD**, we understand this is a time of uncertainty and fear for many who work in healthcare and who manage those facilities.

We've created the following checklist as a way to help you navigate some of the uncertainty. Obviously, this isn't a comprehensive list, and the situation is changing minute by minute. But we hope this guide will give you a place to start and help you consider some options you might have overlooked in the rush to provide good, adequate care.

As always, if you run into a situation not covered here, please let us know. We're always happy to work with you to find solutions to your most trying concerns.

Thank you for all you do, and take care of yourselves!



01 CASH FLOW MANAGEMENT

This global health crisis will stress your revenue stream. Elective procedures are being limited, and some patients are hesitant to visit your facility.

TO HELP YOUR FACILITY CONSERVE CASH:

- **Suspend all unnecessary spending or spending that is not necessary in the short-term.**
- **Examine how you're managing hours and reduce hours where possible beyond low-volume staffing policies.**
- **Cross train people in the business office.**
- **Use dashboards and meetings to emphasize revenue cycle management. Consider the following:**

- Monitoring all outpatient volumes and inpatient census
- Claim submission volume
- Daily cash receipts
- Late charges
- Claims awaiting final coding
- Clearinghouse Issues/denial concerns
- Accounts receivable management
- Scheduling concerns
- Customer issues:
Focus on the patient. Make interactions with the facility easy
- Re-scheduling
- Billing concerns

- **Consider interim rate adjustments and lump-sum adjustments as cost structures and volumes change.**
- **Consider electing the Accelerated and Advanced Payment Program option through your fiscal intermediary.**

You can find a program overview here: [cms.gov/files/document/accelerated-and-advanced-payments-fact-sheet.pdf](https://www.cms.gov/files/document/accelerated-and-advanced-payments-fact-sheet.pdf). Choosing this option will require your facility to have a formal cash-flow management process during the recoupment period.



02 VIRTUALIZATION OF PROCESSES AND PATIENT CARE

If you haven't done so already, assess how adequately your technology can support the virtualization of processes and patient care.

After you've established and possibly increased your facility's technological capabilities:



Begin providing telehealth whenever possible.

Rural Health Clinics and Federally Qualified Healthcare Centers can now provide telehealth services.

- Costs related to RHC telehealth services will not be included in your all-inclusive rate. You'll need to maintain time studies.
- RHC telehealth visits will also not be included in your productivity standards. This, coupled with reduced volumes, may make you eligible for an exception to productivity standards. You'll need a written request to your intermediary to obtain the exception.

Telehealth services for hospitals have also been expanded. Telehealth requirements related to Medicaid and other third-party payers vary widely depending on your state. To protect your employees and patients, make sure you understand the requirements. You can find a telehealth toolkit with a summary of each state's requirements here:

[cms.gov/files/document/general-telemedicine-toolkit.pdf](https://www.cms.gov/files/document/general-telemedicine-toolkit.pdf)



Have your nonessential employees work from home if their job responsibilities and technology allow it.



03 BLANKET WAIVERS



Consider the impacts of 1135 waivers.

For example, restrictions on the three-day prior hospitalization for coverage of a skilled nursing facility stay, the 25-bed limitation, and the 96-hour length-of-stay requirement for critical access hospitals have been removed.



Begin planning how you could use different areas of your facility or offsite locations to accommodate additional beds to isolate COVID-19 patients if the need arises.



Consider cost report impacts such as:

- Change in square footage.
- Changes in cost allocations, such as labor or supplies.
- Impacts on other allocations statistics such as laundry pounds, housekeeping hours, etc.



04 EMPLOYEE POLICIES AND PROCEDURES

It's now clear that the Families First Coronavirus Response Act does not apply to most healthcare facilities. However, it's still an ideal time to review certain parts of how your facility operates.



Review your company handbook policies on the following to make sure your benefits align with your employees' needs for flexibility.



PERSONAL LEAVE OF ABSENCE



PTO/SICK TIME



FMLA



EMERGENCY CLOSINGS



REMOTE WORK/WORKING-FROM-HOME POLICIES

Childcare may become a significant roadblock for key employees. The government has provided some relief in this area to help fund childcare programs that healthcare facilities implement.



05 PREPARING FOR FUNDING

Through the Public Health and Social Services Emergency Fund, there is \$100 billion available to cover lost revenue or expenses to treat COVID-19. It's also likely that state and federal agencies will offer additional grants.

Currently, nonprofit hospitals are eligible for Paycheck Protection Program Loans and facilities with USDA financing may be eligible for loan payment deferrals on specific loans.

As of the end of March 2020, the eligibility and application process for grant funding is still vague. You can prepare by doing the following:



Begin tracking lost revenue.



Establish pay codes in your payroll system to track COVID-19 labor costs.



For non-payroll costs, establish a separate cost center or maintain invoices in a manual file for all COVID-19 costs.

Consider cost report implications. Costs funded through COVID-19 relief funds may be unallowable. However, other COVID-19 costs may be allowable in your cost report. You'll need a dual tracking of costs to accommodate the grant application and cost report processes.



Evaluate the adequacy of your cost accounting systems (cost report models). Facilities with robust systems more accurately capture costs.



06 TALK TO YOUR ACCOUNTANT



Call or email your accounting professional right away.

When you make time to talk to your accountant, you can come away from the discussion with insight about managing your cash flow, assessing the cost report impacts of your decisions, preparing for financing or grants, and forecasting the impacts of your decisions.



07 TALK TO YOUR KEY VENDORS



Make sure your key vendors are prepared and can continue to meet your needs.



Talk to them about short-term financing or extended payment terms.



Secure supplies such as PPE, toilet paper, masks, cleaning supplies, etc. that are in high demand and more vulnerable to theft.



Partner with other facilities to secure needed supplies.



08 TALK TO YOUR ATTORNEY



With all of the latest employment law changes, make sure you understand:

- How to communicate with employees.
- When you're required to compensate employees.
- When you can terminate relationships with employees.



09 TALK TO YOUR LENDERS



Ask the following questions:

- Is my organization eligible for a Small Business Administration loan?
- Does my organization qualify for interest-only or deferred payments on existing loans?
- Is my organization eligible for lines of credit or other options to increase access to short-term capital?
- If my organization needs short-term capital, what information should I be preparing or gathering now?
- What are the implications of the strategies I'm considering, and how do they affect my organization's ability to borrow in the future?

ADDITIONAL RESOURCES

CASEY PETERSON, LTD RESOURCES PAGE

<https://www.caseypeterson.com/resource-center/covid-19-resources>

SMALL BUSINESS ADMINISTRATION DISASTER LOAN ASSISTANCE

<https://disasterloan.sba.gov/ela/>

CMS

<https://www.cms.gov/outreach-education/partner-resources/coronavirus-covid-19-partner-toolkit>

NORIDIAN COVID RESOURCES

<https://www.cms.gov/About-CMS/Agency-Information/Emergency/EPRO/Current-Emergencies/Current-Emergencies-page>

FEMA

<https://www.fema.gov>

NATIONAL RURAL HEALTH ASSOCIATION

<https://www.ruralhealthweb.org/programs/resources/covid-19-resources>

LEGAL RESOURCES

<https://www.foxrothschild.com/coronavirus-resources>

WE'RE ALWAYS HERE FOR YOU

We understand this current health crisis is scary for a lot of people and organizations. Every day, there's a new financial question or concern.

But we also know that we've weathered other storms before — together — and that we'll do the same this time.

If there's anything we can do for you or any questions we can answer, please don't hesitate to reach out.

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