



PLANNING, PPP & HHS UPDATES (Video and more)



As the government continues to update their PPP and HHS Provider Relief programs, we wanted to bring you the latest changes, in order to make sure you can make the most informed decisions for your practice.

We also wanted to briefly discuss year end planning, as we head towards the end of 2020 (thankfully).

Mark Rosen, CPA, CFP(R) & Jeff Kristoff, CPA (back together again) have put together a 24 minute video outlining the most recent changes by the SBA and HHS.

[Click here to watch the video](#)

Here are highlights from the video of the recent changes to the HHS program, along with some additional information.

Q: When must the HHS Provider Relief Funds be used?

A: If funds are not used in full by 12/31/20, recipients will have an additional 6 months to use the funds.

Q: Can I reimburse myself for expenses I have previously spent before acquiring the HHS funds?

A: Yes, as long as the expenses are "eligible expenses", attributable to the Coronavirus.

Q: What are eligible expenses?

A: Eligible expenses include general and administrative expenses and healthcare related expenses attributable to Coronavirus. This includes supplies and equipment used to prevent, prepare for, or respond to the Coronavirus during the reporting period such as PPE, hand sanitizer, supplies for patient screening, or updates to HVAC systems.

Q: What reporting requirements are there?

A: Reporting systems will open 1/15/21 and the first reporting deadline is 2/15/21. Final reporting will be due 7/31/21 for providers who did not fully expend PRF funds prior to 12/31/20. As of 10/6/20 it is clear how the reporting process will work.

Q: Do I need an HHS tracker?

A: No, but you need to track the funds, such as having a folder to keep copies of invoices used for this purpose. Detail in QuickBooks will not be sufficient to support that the funds were used for eligible expenses.

Q: What about lost revenue? Can the HHS funds replace lost revenue?

A: In addition to using the funds on actual expenses, you may use it to cover lost operating revenue in 2020 compared to 2019.

There is a catch – lost operating revenue, according to the HHS notice of reporting requirements, is defined as operating revenue less operating expenses, which include salaries, benefits, medical supplies, interest and depreciation.

To keep the process simple, we are recommending clients focus on using the funds for eligible expenses as stated above, not focusing the lost revenue.

Q: Is there another round of HHS funding available?

A: Yes, you may be eligible to apply for Phase 3 starting 10/5/20 through 11/6/20

Q: Should I apply for Phase 3?

A: It depends – practices that didn't previously apply may want to apply to cover the additional costs they have incurred. Practices that have recovered and are on track for 2020 profit to be equal to, or better than 2019, given PPP and HHS funding, should consider whether the funding is necessary.

The goal of the HHS program is not to have practices profit from the program, but rather to help cover costs and lost operating revenue. HHS has stated that the Phase 3 General Distributions funds will be distributed after considering a

practice's change in operating revenues and expenses as well as payments already received.

Q: How do I apply?

A: [Click here: Provider Relief Fund](#)

If you would like more information the HHS will host a webcast on Oct. 15, 2020 at 3 p.m. ET for potential applicants to review the application process and have their questions answered.

Please register now and check the PRF website for updated information.

[Click here to register](#)

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