

Assistance Program to Private Hospitals

CORONAVIRUS RELIEF FUND

Program Guidelines

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GOVERNMENT OF PUERTO RICO

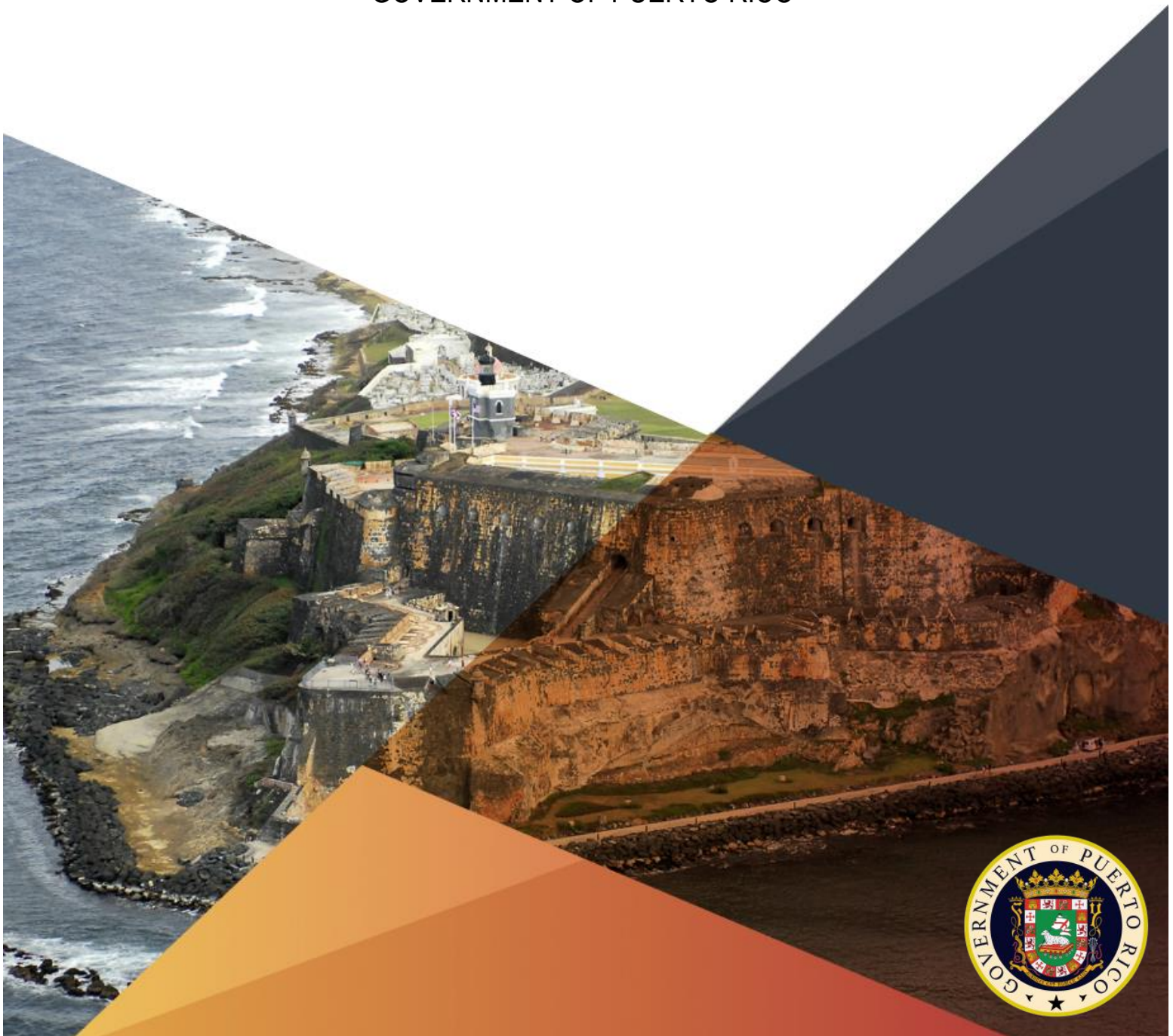


Table of Contents

PROGRAM GUIDELINES	3
Program Overview	3
Background	3
Program Description	3
Points of Contact.....	3
Eligibility Criteria	3
Allowable Expenditures	4
Ineligible Expenditures.....	4
Process Overview.....	5
Appendix A: GRANT APPLICATION FORM	7

PROGRAM GUIDELINES

Program Overview

Background

In response to the sudden decline in economic output following the Coronavirus disease 2019 (COVID-19) outbreak, Congress signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act into law on March 27, 2020. The CARES Act established the Coronavirus Relief Fund (CRF), which provides \$150 billion in direct assistance for domestic governments, territories, and tribal areas to disburse in accordance with its provisions.

To ensure the expeditious processing of apportioned funds from the CARES Act, the Government of Puerto Rico established the Disbursement Oversight Committee, consisting of a representative of the Secretary of the Department of the Treasury, a representative of the Director of the Office of Management and Budget (OGP), and a representative of the Puerto Rico Fiscal Agency and Financial Advisory Authority (AAFAF).

Program Description

On May 14, 2020, Governor Wanda Vázquez Garced announced the Assistance Program to Private Hospitals (Program), which makes up to \$150 million in immediate CRF funds available to private hospitals, based on a necessity standard, in the form of a grant or short-term loan.

The Program provides emergency assistance to private hospitals for necessary expenditures related to the COVID-19 emergency, thereby providing supplemental financial support to hospitals beyond what was included by other assistance opportunities, including the Small Business Administration (SBA) Payroll Protection Program (PPP).

Disbursement of Program funds will be subject to the strictest standards to ensure compliance with federal regulations and best practices. Therefore, each request for disbursement will be duly documented and subject to control and audit.

Points of Contact

The Program will be administered by the Coronavirus Relief Fund Disbursement Oversight Committee (Committee) in conjunction with the Puerto Rico Department of Health (DOH), the Puerto Rico Health Insurance Administration (ASES, for its initials in Spanish), and AAFAF. Queries related to the Program must be submitted in writing to crfhospitals@aafaf.pr.gov. All questions and responses will be made public without attribution.

Eligibility Criteria

Eligible Applicants must meet all the following criteria:

- Be a nongovernment for-profit or non-profit hospital that has an active license in good standing to operate under DOH Regulations and is not an institution of higher learning;
- Have incurred or planned necessary expenditures related to the COVID-19 emergency and maintain documentation that reliably demonstrates the expenses;
- Submit a complete and accurate Application prior to the deadline;
- Commit to abiding by the terms and conditions of a Grant Agreement, including reporting schedule, requests for documentation, and auditing requests;

- Agree to return the Grant funds, if it is determined that they did not comply with any of the Program eligibility requirements or if the Grant funds were not spent on eligible expenses by December 30, 2020;
and
- Agree that while receipt of other funds for COVID-19 related assistance does not preclude an Applicant from receiving Grant funds under the Program, only expenses that, 1) have not been covered or reimbursed, and 2) will not be covered in the future, by other state, federal, or private insurance programs that the Applicants may have, including funds received through the CARES Act's Public Health and Social Services Emergency Fund are eligible for consideration.

Allowable Expenditures

Allowable expenses¹ under this award include, but are not limited to:

- Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
- Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government;
and
- Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

For further guidance please refer to the Guidance published by the U.S. Treasury at <https://home.treasury.gov/policy-issues/cares/state-and-local-governments> and the Frequently Asked Questions published by the U.S. Treasury at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>.

Ineligible Expenditures

Ineligible expenses will be determined by the Committee, the U.S. Department of the Treasury, the Office of the Inspector General (OIG), and other regulatory bodies, and under this award include, but are not limited to:

- Necessary expenses that have been covered or reimbursed, or that will be covered in the future, by other state, federal, or private insurance programs that the Applicant may have, including funds received through the CARES Act's Public Health and Social Services Emergency Fund;
- Employee bonuses, except for overtime and hazard pay;
- Severance pay;
and
- Executive bonuses, debt refinancing, or other expenses that are determined to be unnecessary for continued operations in the COVID-19 environment.

For further guidance please refer to the Guidance published by the U.S. Treasury at <https://home.treasury.gov/policy-issues/cares/state-and-local-governments> and the Frequently Asked Questions published by the U.S. Treasury at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>.

¹Allowable expenses are subject to Guidance on allowable expenses under the Coronavirus Relief Fund issued by the U.S. Treasury Department from time to time.

Process Overview

The following is intended to outline the process by which funds from the CRF will be distributed to Applicants of the Program.

May 14, 2020	Grant Announced
May 18, 2020	Application Period Opens
May 18 - 22, 2020	Application Submission
May 22, 2020, 11:59PM AT	Application Period Closes
May 23 - 27, 2020	Applications Reviewed and Approved by the Program
May 27 - 31, 2020	Grant Agreement Executed by all Parties
May 28 - June 1, 2020	Grant Funds Advanced to Grantee by Department of Treasury
June 2020 – December 2020	Grantee Submits Use of Funds Grant Report by the 15 th day of each month for the prior month
August 31, 2020	Grantee Submits Use of Funds Grant Report and Expenses Evidence for the time period of March 1, 2020 through July 31, 2020
December 30, 2020	Deadline for Grant Award Funds to be Used by Grantee
January 31, 2020	Grantee Submits Grant Report and Expenses Evidence
February 1 – April 30, 2021	The Program Audits Use of Funds Compliance and Recovery
May 1, 2021	Program Close

Application

Applications will be submitted by electronic mail in PDF format to the address crfhospitals@aafaf.pr.gov. Upon submission, Applicants will receive a confirmation via electronic mail. More information on forms, documents, and eligibility can be found on the web at <http://www.aafaf.pr.gov/covid-19-resource-center/>.

The Program will open for applications on May 18, 2020 and will remain open until closing at 11:59 PM Atlantic Time on May 22, 2020. All submissions will be accepted based on the time of submission and evaluated in accordance with criteria set forth by the Program.

Questions regarding Grant Applications can be submitted to crfhospitals@aafaf.pr.gov.

Evaluation

Grant Applications will be evaluated for completeness and eligibility with input from a representative of the Puerto Rico Health Insurance Administration (ASES), the Puerto Rico Department of Health (DOH), and AAFAF, known as the lead agencies.

Funding award decisions will be made by a recommendation from the representatives of the Lead Agencies under oversight of the Disbursement Oversight Committee. Each Application will be evaluated, and Program Grant funds allocated using a standard of necessity prioritizing the magnitude of necessary eligible expenditures and historical patient volume.

The Committee will review applications May 23 - 27, 2020.

Award and Funding

Applicants will be notified in writing via electronic mail of funding decisions on or before May 27, 2020. To ensure all eligible Applications receive funding, Applicant requests may be filled in whole or in part.

Subsequent Grant funding opportunities (including expansion of eligible institutions and use of funds) will be determined based on availability of Grant funds remaining after completion of initial awards.

Upon notification of an affirmative funding decision, the Grantee hospital will sign a Grant Agreement, which will be provided to the Grantee upon receipt of the Grant Application. The Grant Agreement document will be a legally binding agreement between the Grantee hospital and The Government of Puerto Rico and lays out the terms and restrictions for the use of Grant funds.

In no more than 10 days of executing the Agreement, the Committee will send authorization to the Puerto Rico Department of Treasury to release funds and they will be transmitted in one lump sum to the Grantee hospital via electronic funds transfer.

Compliance

Any Grantee hospital that receives Grant funds from the Program will be required to submit monthly financial reports using the reporting template provided by the Program, as well as, a comprehensive mid-point financial reconciliation report on August 31, 2020 and a comprehensive final financial reconciliation report before January 31, 2021 detailing the use of Grant funds and may additionally be required upon request to show proof of payment and submit other required documentation. Furthermore, by accepting CRF funds the Grantee hospital is required to certify proper and legal use of the funds and agrees to cooperate in any audit proceedings requested by the Government of Puerto Rico or other governing entity responsible for the compliant use of Grant funds.

Appendix A: GRANT APPLICATION FORM

CORONAVIRUS RELIEF FUND (CRF) GRANT APPLICATION
Assistance Program to Private Hospitals

APPLICANT INFORMATION

Hospital Name:

Tax Identification Number (TIN):

CMS Certification Number (CCN):

Fiscal Year End (Month):

FY2019 Gross Patient Revenue:

FY2019 Total Patient Days:

Street Address:

City:

Municipality:

Zip Code:

Contact Person Name:

Contact Person Title:

Telephone Number:

Email Address:

FUNDING INFORMATION

Has the Applicant **Received**, or does it **Anticipating Receiving**, any Funding Related to COVID-19?

Yes No

If YES, list the source, amount, and (intended) use:

Amount (\$)	Source	Use	Received (R) Anticipated (A)	
			R	A
			R	A
			R	A
			R	A
			R	A
			R	A
			R	A
			R	A
			R	A

*If more funding sources exist please use the table in Appendix A. The Applicant is required provide notice to the Grantor if this source of funds list changes during the Grant Period.

CORONAVIRUS RELIEF FUND (CRF) GRANT APPLICATION
Assistance Program to Private Hospitals

Intended Use of Grant Funds:

Provide a list and brief description of how Applicant intends to use Grant Funds on eligible and necessary expenditures related to the COVID-19 emergency. This information is for Application evaluation purposes and may be modified by the Applicant to meet needs not identified at the time of Application, as long as the changes are consistent with the terms of the Grant. If the expense has not yet been incurred, please note it as "Anticipated" in the "Expense Date" column. If you have more expense line items than there is space below, please use the extended expense table in Appendix B **instead** of the table below. For further guidance please refer to the Guidance published by the U.S. Treasury at <https://home.treasury.gov/policy-issues/cares/state-and-local-governments> and the Frequently Asked Questions published by the U.S. Treasury at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf>

Expense Date	Expense Description	Amount
Total Funds Requested		

AUTHORIZED SIGNER INFORMATION

Authorized Signer Name:

Authorized Signer Title:

Telephone Number:

Email Address:

CERTIFICATIONS

Applicant hereby acknowledges and agrees that (please initial next to each statement):

- _____ The Grant Funds requested are necessary due to the COVID-19 public health emergency.
- _____ If Grant Funds cannot be used for qualifying expenses by December 30, 2020, they will be returned.
- _____ Applicant shall submit any and all required documentation, and agree to any and all audits of the Grant Funds, as requested by Grantor.
- _____ Any information provided in this application and other correspondence can become public information, and Applicant waives any right to confidentiality, unless expressly requested and approved.
- _____ Applicant acknowledges a materially false, fictitious, or fraudulent statement (or concealment or omission of a material fact) in this certification, or in the application that it supports, may be the subject of criminal prosecution and also may subject me and the Applicant to civil penalties and/or administrative remedies for false claims or otherwise.
- _____ I certify under penalty of perjury that I have examined all the information on this form, and on any accompanying statements or forms, and it is true and correct to the best of my knowledge.

SIGNATURE AND DATE

Signature:

Date:
