



COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

KAREN KIMSEY
DIRECTOR

SUITE 1300
600 EAST BROAD STREET
RICHMOND, VA 23219
804/786-7933
804/343-0634 (TDD)
www.dmas.virginia.gov

August 17, 2020

Dear Nursing Facility Provider:

Under the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Commonwealth of Virginia has designated funding to Nursing Facilities (NF) to address staffing shortages, increase infection control measures, and purchase personal protective equipment (PPE), as well as comply with the new testing requirements related to COVID-19. The purpose of this letter is to summarize the program and identify the process regarding the administration of CARES Act payments to nursing facilities for extra costs related solely to COVID-19 and outside of normal routine costs. All licensed Nursing Facilities in Virginia are eligible for this State CARES Act funding assistance.

The Department of Medical Assistance Services (DMAS) has contracted with a Certified Public Accounting (CPA) firm, Myers and Stauffer LC (MSLC), to review eligible expenses made by your facility for reimbursement through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. This program provides funds for NFs in the Commonwealth of Virginia to cover expenses incurred due to the coronavirus pandemic for the period of July 1, 2020, through October 31, 2020.

Nursing Facilities will not receive financial support through this program until they have exhausted all other available resources. Specifically, this includes nursing facilities that are receiving a Medicaid add-on of \$20 per patient for COVID-19 expenses, and also may have received funding through the CARES Act Provider Relief Fund. To receive reimbursement through this CARES Act program, nursing facilities must first offset all revenues related to COVID-19 expenses from eligible expenditures.

Revenues related solely to COVID-19 expenses may include, but are not limited to:

- Federal provider relief funds
- County CARES Act funds
- Medicaid base level payment of \$20 per day
- Public and private insurance revenues
- Surcharge revenues
- Any other revenues that are related to COVID-19 expenses

Nursing Facilities may elect to submit documentation showing that Provider Relief Funds received were otherwise used to cover COVID-19 expenditures during March through June 2020 and are not available to cover expenditures from this program. Revenue replacement is not an eligible COVID-19 expenditure for purposes of this program.

Nursing Facilities can use funding for the following otherwise unreimbursed expenses related to COVID-19, with priority given to testing and staffing:

- Testing

- Employee wages, overtime pay and bonuses
- Employee benefits
- Contracted services expenses
- Employee child care costs, if applicable
- Employee isolation housing, if applicable
- Costs related to screening visitors
- Personal protective equipment and supply costs
- Cleaning and housekeeping supplies
- Telehealth costs
- Technology required for socializing residents (not including Medicaid-funded IT allowable cost of \$3,000 per facility currently funded through DMAS using Civil Monetary Penalty funds)
- Resident transfer costs
- Other COVID-19-related expenditures

Expenses must be for COVID-19 related expenses that 1) would not have been incurred in a non-pandemic year; and 2) have not been otherwise paid for by another funding source (see the revenue examples listed above).

Nursing Facility reimbursement will be capped at \$7 per Medicaid patient day and \$27 per non-Medicaid patient day, plus \$250 per bed per month to help reimburse staff testing costs. Additional reimbursement of \$80 per patient day is included for those Nursing Facilities that have experienced a coronavirus outbreak, for the duration of that outbreak. A coronavirus outbreak is defined as two or more residents or staff who have tested positive for COVID-19.

Reimbursement is contingent on funding availability. If reimbursement requests exceed available funding, reimbursements may be prorated. If, however, participating Nursing Facility providers do not use all funds available for this program, unspent funding at the end of the program may be allocated to participating providers based on unreimbursed allowable COVID-19 expenses.

Please note that invoice submission for participation in this program is voluntary. We recommend the following timeline for submitting invoices to Myers and Stauffer:

- Invoices for July 2020 – Due by August 28, 2020
- Invoices for August 2020 – Due by September 25, 2020
- Invoices for September 2020 – Due by October 30, 2020
- Invoices for October 2020 – Due by December 1, 2020

Invoices will not be accepted after December 1, 2020. Myers and Stauffer will review the submitted information and notify you of any adjustments to your submission. Once Myers and Stauffer identifies and approves allowable reimbursements, DMAS will process payments every two weeks on a rolling basis.

If you have any questions, please e-mail caresactinvoicing_nf@mslc.com.

Next Steps:

Step 1: Enclosed is a one-page **Enrollment Form** for submission to the Medicaid Management Information System (MMIS) for reimbursement by DMAS by electronic funds transfer. **All Providers** who plan to receive payments through this program will need to submit the enclosed form to DMAS as soon as possible. Be sure to use the name on your license from the Virginia Department of Health and your license number. Please include your

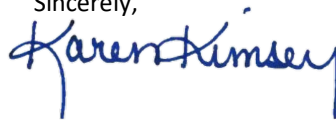
NPI if you are also a Medicaid provider. Banking information is necessary to enroll you for electronic funds transfer. Please send all forms to caresactproviderenrollment@dmas.virginia.gov.

Step 2: In order to receive funds through this program, participating Nursing Facilities must submit monthly invoices for reimbursement of expenses incurred during July 2020 through October 2020. Supporting documentation will be required and may include weekly reports of testing results, monthly census reports, General Ledger detail for selected accounts, and other applicable supporting documentation.

Enclosed you will find invoice forms to complete and submit to Myers and Stauffer for reimbursement. Detailed instructions are included with the form. Please send all completed forms via e-mail to caresactinvoicing_nf@mslc.com.

If you have any questions, please e-mail caresactinvoicing_nf@mslc.com.

Sincerely,

A handwritten signature in blue ink that reads "Karen Kimsey". The signature is fluid and cursive, with a small dot above the 'i' in "Kimsey".

Karen Kimsey, Director
Department of Medical Assistance Services