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Be Prepared - Provider Relief Fund Audits Are Coming

Congress established the \$178 billion [Provider Relief Fund](#) (PRF) to help hospitals, medical practices and other healthcare providers weather the financial difficulties caused by the pandemic. Since the Department of Health & Human Services (HHS) issued its revised notice of reporting requirements and reporting timeline for PRF recipients on June 11, providers have been required to report the use of any PRF funds in excess of \$10,000 using a portal established by the Health Resources & Services Administration (HRSA).

In September, HHS announced that it has contracted with several firms, including national accounting and consulting firms, to audit billions of dollars of PRF payments made to healthcare providers during the pandemic. These audits will begin after September 30, which is the end of the reporting period for providers that received PRF money last spring. This means a possible audit of thousands of providers that received at least \$750,000 in federal financial assistance last year, including from the PRF.

In addition, the HHS Office of Inspector General announced recently it would perform its own audit of the PRF program to determine whether (i) payments were correctly calculated, (ii) supported by "appropriate and reasonable" documentation and (iii) paid to eligible providers.

In view of the upcoming audits and the fact that the criteria for receiving PRF payments changed several times throughout the pandemic, it is important for all healthcare providers that received PRF payments to ensure that they are in compliance with the myriad PRF requirements. These requirements include ensuring that PRF payments are spent in accordance with the applicable deadline, appropriately submitting reports to the HRSA, identifying and maintaining all documentation to support the provider's eligibility for PRF payments, and having appropriate documentation to show that the expenditures of such payments meet the applicable criteria. Day Pitney's healthcare attorneys are here to assist.

For more Day Pitney alerts and articles related to the impact of COVID-19, as well as information from other reliable sources, please visit our [COVID-19 Resource Center](#).

COVID-19 DISCLAIMER: As you are aware, as a result of the COVID-19 pandemic, things are changing quickly and the effect, enforceability and interpretation of laws may be affected by future events. The material set forth in this document is not an unequivocal statement of law, but instead represents our best interpretation of where things stand as of the date of first publication. We have not attempted to address the potential impacts of all local, state and federal orders that may have been issued in response to the COVID-19 pandemic.

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