

Guidehouse Supporting Health Systems and State and Local Government Entities' Allocation of \$10 Billion in Federal COVID-19 Aid

Providers, government agencies leveraging deep healthcare strategy, federal disaster funding, and policy expertise in efforts to obtain and substantiate federal funding use

Guidehouse has helped:

- More than 20 state and local government entities obtain and substantiate \$7B in CRF and FEMA funding.
- More than 350 providers obtain and substantiate \$3B in FEMA and CARES Act funding.

"In engaging Guidehouse to support our COVID-19 relief activities, Henry Ford Health System found a uniquely qualified advisor with regard to the FEMA program, and a trusted advisor with our approach to CARES Act funding and all other COVID relief programs."

— J. Douglas Clark, CPA, Senior Vice President, Financial Services, Henry Ford Health System

Pandemic Impact

Health systems and state and local government entities continue to endure unprecedented challenges in obtaining the resources needed to care for their communities during the COVID-19 pandemic. To help providers and government agencies manage through the prolonged pandemic, the federal government has made available several funding streams to reimburse hospitals for their evolving pandemic-related costs and revenue loss, as well as provide critical funding to state and local government entities for their COVID-19 needs.

The first Provider Relief Fund (PRF) and Coronavirus Relief Funds (CRF) were followed by an evolving stream of federal guidance touching every aspect of funding access, use, and reporting. Frequent and sometimes daily changes in federal guidance from agencies with overlapping interests made the complex regulatory environment even more challenging.

Given the multitude of funding, the coordination of benefits across all relief sources is critical in identifying applicable funding sources based on eligibility criteria, avoiding duplication of benefits, and tracking application status, receipt of funds, and days to repayment. Both the Department of Health and Human Services (HHS) and Treasury require their respective relief fund recipients to fully comply with all the terms and conditions of their specific allocation of funds or face recoupment of some or all payments.

All relief fund recipients are subject to review and audit by the federal Office of Inspector General (OIG) to verify compliance with the various terms and conditions. In addition to this OIG review, the funding is subject to the single-audit requirements of the federal Uniform Guidance.

“The team members from Guidehouse were true partners and the knowledgeable professionals we needed at the right time to deliver results amid our organizational COVID-19 response.”

— *Chris Miller, Senior Director, Finance Business Process & Integration, University of Maryland Medical System*

Deep Federal Government, Operational Improvement, and Policy Expertise

Guidehouse's COVID-19 response team helps eligible organizations understand available reimbursement sources that may help cover pandemic-related costs and expenses. This includes specialists with disaster assistance and emergency operations experience (e.g., Federal Emergency Management Agency (FEMA), HHS, the Department of Housing and Urban Development, the Centers for Disease Control and Prevention, and the Department of Defense) working with state and local agencies, and providers. Guidehouse experts also:

- Actively track programs, guidance, and policies issued under all federal relief legislation, FEMA Public Assistance Program, and state and local governments.
- Manage a centralized repository of Guidehouse proprietary tools, templates, and reference guides to effectively coordinate reimbursement funding requests.
- Share real-time knowledge and insights with providers and federal, state, and local governments nationwide.

Solution

Uniquely qualified to help providers and government agencies understand and apply evolving guidance, Guidehouse provides advisory support as providers and agencies seek to obtain, substantiate, and report federal COVID-19 aid. As current and future COVID-19 aid is distributed to hospitals and governments, funding and reporting coordination—tracking and documenting funds distribution across all grants, loans, and other sources—is essential.

“Having the Guidehouse team at our side helped bring structure to our internal processes to ensure accurate and timely documentation of our COVID-19-related incremental expenses and revenue losses. They also brought clarity and timely expertise to help us understand updates on federal requirements on CARES Act funding and FEMA reimbursement.”

— *Ben Spence, CFO, Lee Health*

Guidehouse is working with organizations across several areas, including:

Providers

- Appropriately documenting expenses and lost revenues associated with COVID-19.
- Applying for reimbursement for eligible costs through the FEMA Public Assistance program.
- Managing financial, operational, and government relations efforts, including applying for specific program opportunities, and supporting efforts to educate policymakers.
- Assisting with Coronavirus Aid, Relief, and Economic Security (CARES) Act PRF reporting and documentation compliance, including advising on conditions required to receive aid, preparing for a potential independent audit, and understanding compliance.
- Identifying, prioritizing, and implementing initiatives to ensure organizations' enterprise operating model can prevent, prepare for, and respond to COVID-19 surges with available federal aid. Areas of focus include facility retrofitting and expansion, IT and digital (electronic health records, telehealth, and teleworking), revenue cycle, care management, and supply chain projects.

State & Local Government Entities

- Designing COVID-19 grant strategy, including allocation of CARES Act funds for various programs and coordination of benefits with overlapping eligibility of various grants within the CARES Act and the Consolidated Appropriations Act.
- Developing a portfolio of projects/programs incorporating multiple grants to address such needs as small business disruption assistance, rental assistance, direct assistance, education grants, and more.
- Establishing a project management office and provide oversight and administration of grants through the life cycle, including vendor management.
- Initiating an integrity monitoring program that includes eligibility verification, compliance monitoring, and closeout.

Impact

To date, Guidehouse has helped 350 hospitals and health systems and more than 20 state and local government entities obtain and substantiate more than \$10 billion in federal COVID-19 aid:



**State and local government:
\$7 billion in CRF and FEMA funding**



**Hospitals and health systems: \$3 billion
in FEMA and CARES Act funding**

Guidehouse continues to work with FEMA, the Centers for Medicare & Medicaid Services, HHS, state emergency management leaders, governors, legislators, and more to help shape interpretations and responses, and best position clients for success. This includes assisting with policy research aimed at enabling states and providers to develop a more precise and stable response to future disasters that impact the healthcare delivery network.

Further, Guidehouse is helping organizations better understand funding opportunities as the Biden administration implements its COVID-19 economic response legislation, the \$1.9 trillion American Rescue Plan. The legislation, which was passed by Congress and signed by the President in March 2021, provides \$350 billion in new aid to states and localities, \$8.5 billion in new PRF funding for rural hospitals, and more than \$70 billion for vaccines, testing, contact tracing, and mitigation efforts, among other measures.

"Tracking and reporting on COVID-19 response efforts across our health system presented us with numerous challenges, from developing new techniques around time and effort tracking to conducting departmental interviews to find hidden reimbursement-eligible costs. With the Guidehouse team's experience, project management skills, and access to subject matter experts, we have been able to meet these challenges with confidence."

— **Michael Knoll, CPA, MBA, Corporate Controller, Southcoast Health**

 [linkedin.com/showcase/guidehouse-health](https://www.linkedin.com/showcase/guidehouse-health)

 twitter.com/guidehousehc

guidehouse.com

About Guidehouse

Guidehouse is a leading global provider of consulting services to the public and commercial markets with broad capabilities in management, technology, and risk consulting. We help clients address their toughest challenges and navigate significant regulatory pressures with a focus on transformational change, business resiliency, and technology-driven innovation. Across a range of advisory, consulting, outsourcing, and digital services, we create scalable, innovative solutions that prepare our clients for future growth and success. Headquartered in McLean, Va., the company has more than 9,000 professionals in over 50 locations globally. Guidehouse is a Veritas Capital portfolio company, led by seasoned professionals with proven and diverse expertise in traditional and emerging technologies, markets, and agenda-setting issues driving national and global economies. For more information, please visit: www.guidehouse.com.

©2021 Guidehouse Inc. All rights reserved. W239709

This content is for general informational purposes only, and should not be used as a substitute for consultation with professional advisors. This publication may be used only as expressly permitted by license from Guidehouse and may not be otherwise reproduced, modified, distributed, or used without the express written permission of Guidehouse.

